

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (7/22)**

BUTTER: Grade AA closed at \$2.2925. The weekly average for Grade AA is \$2.2940 (+.0100).

CHEESE: Barrels closed at \$1.7750 and 40# blocks at \$1.7075. The weekly average for barrels is \$1.7570 (+.0280) and blocks, \$1.6795 (+.0395).

NONFAT DRY MILK: Grade A closed at \$.8450. The weekly average for Grade A is \$.8560 (-.0270).

BUTTER HIGHLIGHTS: Butter production is active across the nation. However, a few processors are selling cream instead of churning as multiples are relatively high. Although cream supplies are generally tight, there are enough volumes for butter manufacturing. At this point, the butter market undertone is firm. Domestic demand from retailers is strong. Butter inventories are mixed throughout the country. Small scale microfixing is taking place in some eastern plants. In the West, some buyers are finding bulk butter a little harder to acquire. This week, bulk butter pricing across all regions is 1 cent under market to 8 cents above, based on the CME Group with various time frames and averages used. Foreign Agricultural Service (FAS) reports June 2016 U.S. imports of butter totaled 1.2 million pounds, an increase of 57.6% from a year ago, while 8.1% of the yearly quota. The Grade AA butter price at the CME Group on Friday closed at \$2.2925, down \$.0275 from a week ago.

CHEESE HIGHLIGHTS: Cheese vats are full across the U.S. this week. Northeast cheese production remains steady despite several plant maintenance projects. Some Midwest cheese makers are seeking spot loads to compensate for falling milk intakes. A few manufacturers are slowing production for other commodities to maintain high cheese production levels. Demand is high in the Midwest and West regions. Fresh cheese barrels are becoming increasingly hard to come by in the West. Northeast contacts report slowing sales and growing inventories. Midwest inventories are mixed. Cheese with some age on it is filling up many stock shelves in the West. International interest remains light. The market undertone is mixed. In CME Group trading Friday, barrels closed at \$1.7750, up \$.0300 from last Friday and blocks closed at \$1.7075, up \$.0475.

FLUID MILK: Farm-level milk production is trending lower across the country as seasonally high temperatures advance. However, milk supplies are ahead of demand in most locales. In the meantime, milk producers in the Northeast are contending with developing drought

conditions. Manufacturers in the Pacific Northwest are transferring milk volumes into a few neighboring states. In the Midwest, spot loads are increasingly difficult to come by, as summer temperatures move higher. Milk marketers are anticipating the current weak to steady Class I demand to rise. School pipelines are looking ahead to the beginning of another calendar year in several weeks. Class II demand for condensed skim and cream is unchanged to higher, as ice cream producers request increasingly larger volumes. Regionally, cream multiples for all Classes range 1.25-1.35 in the East; 1.18-1.32 Midwest; and 1.13-1.28 in the West.

DRY PRODUCTS: Overall, dry dairy commodities markets are unsettled. Buyers are hesitant to go long on most dry products. Nonfat dry milk stocks are building as strong production weighs on the market. This week, the Central-East low/medium heat nonfat dry milk price range reflected declines in the spot market, although the mostly series held steady, as was the case for Western NDM mostly pricing series. Some western processors are holding NDM stocks in anticipation of higher near-term prices. Dry buttermilk markets are unsettled, with limited supplies in some areas, and pressure continuing from the NDM market. Dry whole milk prices are unchanged on light trading. Dry whey prices are steady in the Central and West regions, with some upward movement in the East. Active cheese manufacturing supports strong dry whey streams. The whey protein concentrate 34% prices are steady. Manufacturers' stock availability is good in some instances, but committed in others. The lactose market is steady. Higher mesh lactose inventories are tight. Casein market prices firmed.

INTERNATIONAL DAIRY MARKET NEWS (DMN):
WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: Milk production in the EU January-May 2016 is 4.4% above the same period of 2015. Production during May this year is 0.2% above May last year, a slowing for May compared with the year as a whole. Germany, France, Netherlands, Great Britain, and Italy are the five top producing countries in Western Europe. New government efforts to provide support to EU dairy producers, in an effort to reduce milk production, moved forward this week. On Monday, the EU Commissioner for Agriculture and Rural Development proposed new measures to the Council of EU Agriculture Ministers, measures intended to lead to price recovery and lower milk production. Final details will be determined in

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NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY JUL 18	TUESDAY JUL 19	WEDNESDAY JUL 20	THURSDAY JUL 21	FRIDAY JUL 22	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.7450 (N.C.)	\$1.7550 (+.0100)	\$1.7550 (N.C.)	\$1.7550 (N.C.)	\$1.7750 (+.0200)	:: (+.0300)	:: \$1.7570 (+.0280)
40# BLOCKS	\$1.6650 (+.0050)	\$1.6800 (+.0150)	\$1.6800 (N.C.)	\$1.6650 (-.0150)	\$1.7075 (+.0425)	:: (+.0475)	:: \$1.6795 (+.0395)
NONFAT DRY MILK GRADE A	\$.8700 (-.0050)	\$.8625 (-.0075)	\$.8625 (N.C.)	\$.8400 (-.0225)	\$.8450 (+.0050)	:: (-.0300)	:: \$.8560 (-.0270)
BUTTER GRADE AA	\$2.2925 (-.0275)	\$2.2950 (+.0025)	\$2.2975 (+.0025)	\$2.2925 (-.0050)	\$2.2925 (N.C.)	:: (-.0275)	:: \$2.2940 (+.0100)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for international purposes. This data is available on the Internet at WWW.AMS.USDAGOV/DAIRY

NATIONAL DAIRY MARKET NEWS AT A GLANCE**-CONTINUED FROM PAGE 1-**

coming weeks, but the basic components are established. A lead component is an EU wide plan to incentivize reduced milk production. This will be funded with €150 million. A separate program to provide aid to producers will be implemented on a country basis by the EU member countries. Funding for this will be €350 million of EU funds, spread throughout the EU. Each implementing country will be allowed to match with national funds as to the amount expended in each country. This measure was deemed important to mitigate the activity of a number of dairy producers to increase production as prices fall, to maintain cash flow. Finally, the third component is a variety of technical measures including extending the life of intervention and private storage aid for skim milk powder beyond September 2016. **EASTERN OVERVIEW:** Russian imports of many dairy products increased from January-May, 2016, with Belarus being a significant source. Eucolait data shows the following Russian import percentage changes for the period, as well as the percentage sourced from Belarus: butter volumes +27.8%, 84.8% from Belarus; skim milk powder volumes +8.8%, 88.2% from Belarus; whole milk powder volumes +21.3%, 79.6% from Belarus; whey powder volumes +41.0%, 95.7% from Belarus; and cheese volumes +25.8%, 86.5% from Belarus. **OCEANIA OVERVIEW:** In Northern Australia, along the coast and in northern New South Wales, hay purchasing has been steady but in small volumes following good weather to start the season. There has been some price weakness as sellers with large volumes of hay and silage to sell seek to induce more purchasing by producers. However, continuing drought in Central Queensland has left poor pasture availability. The lingering multi-year dryness has led to herd reductions. Many producers are too cash strapped to purchase much hay, which has led to herd reductions as a way to cope with poor pasture availability. In Southern Australia most producers are minimally feeding, constrained by cash flow. Hay is readily available but most buying is hand to mouth. Demand for purchased fodder has moderated in Western Australia following more rain and cooler temperatures. Pastures are healthy. According to Dairy Australia, May 2016 milk production in Australia was 5.5% below May 2015. For the year to date through May 2016, milk production is 1.5% below year to date one year earlier. Weather in New Zealand has turned cooler, with rain and wind. The rain will be helpful in terms of replenishing water reserves in some areas that had been dry. Dairy producers are feeling more positive this milk production season. Many are finding that production outputs are better than they had been expecting. May New Zealand milk production, as reported by DCANZ, was 824,000 MT, down from 1.36 million MT in April. During May 2015, milk production was 796,000 MT. At the July 19 GDT event #168, average prices ranged from 5.0% lower to 1.9% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$3,628 +0.2%; butter, \$2,687 -5.0%; buttermilk powder, \$1,565 -0.5%; cheddar cheese, \$2,886 -1.1%; lactose, \$721 -4.0%; rennet casein, \$5,286 +0.4%; skim milk powder, \$1,927 -1.1%; and whole milk powder, \$2,079 +1.9%.

NATIONAL RETAIL REPORT-DAIRY (DMN): Total conventional dairy ad numbers decreased 5%, and organic dairy ad numbers decreased 37%. Conventional Greek yogurt in 4 to 6 ounce containers became the top dairy item advertised, followed by the seasonal favorites: ice cream in 48 to 64 ounce containers, 16 ounce containers of sour cream, and 8 ounce packs of shred cheese. The price spread between organic and conventional half gallon milk is \$2.49. Last week the spread was \$2.05. The price spread is the difference between the national weighted average price for organic, \$3.90, and conventional, \$1.41. Both conventional and organic milk ad numbers increased this week, conventional milk number of ads increased 44% and organic milk

ads went up 20%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.13, down 6 cents from last week; 8 ounce shred cheese averaged \$2.26, up 7 cents from last week. Ads for 8 ounce organic shred cheese average \$3.82, down 17 cents compared to the previous week. The number of conventional cheese ads decreased by 16%, while organic cheese ads increased 189% this week. The national weighted average price for conventional 1 pound butter is \$3.07, and organic 1 pound butter is \$4.99. When compared to the previous week, the volume of ad numbers for conventional butter fell 46%, while organic butter ad numbers declined by 20%.

APRIL MAILBOX MILK PRICES (FMMO & CDFA): In April 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.89 per cwt, down \$0.07 per cwt from the March 2016 average and down \$1.55 per cwt from the April 2015 average. The component tests of producer milk in April 2016 were: butterfat, 3.77%; protein, 3.12%; and other solids, 5.75%. When compared to the previous month, the April Mailbox prices decreased in 14 Federal milk order reporting areas and increased in 4 Federal milk order reporting areas. The Southern Missouri area experienced the greatest decrease of \$0.28 per cwt and the Indiana area experienced the greatest increase of \$0.51 per cwt. Averaged over all Federal milk order reporting areas, the April 2016 Mailbox price decreased an average of \$0.06 per cwt. Mailbox prices in April 2016 ranged from \$16.30 in the New England States to \$13.29 in New Mexico.

JUNE FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (FMMO): Handler reports of receipts and utilization under the Federal milk order system for June 2016 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During June, more than 11.7 billion pounds of milk were received from federally pooled producers. This volume of milk is 28.7% higher than the June 2015 volume. Regulated handlers pooled 3.154 billion pounds of producer milk as Class I products, down 1.7% when compared to the previous year. Class I utilization decreased in 9 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 27%, Class II = 11%, Class III = 50%, and Class IV = 12%. The weighted average statistical uniform price was \$14.35 per cwt, up \$0.29 from last month but down \$2.51 from last year.

AUGUST FEDERAL ORDER ADVANCE CLASS PRICE (FMMO): Under the Federal milk order pricing system, the base Class I price for August 2016 is \$15.07 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$6.16 and the advanced butterfat pricing factor of \$2.6073. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The base Class I price increased \$1.37 per cwt when compared to the previous month of July 2016. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$1.31 per cwt, \$0.113 per gallon; reduced fat milk (2%), \$1.03 per cwt, \$0.089 per gallon; fat-free (skim milk), \$0.70 per cwt, \$0.060 per gallon. The advanced Class IV skim milk pricing factor is \$6.01. Thus, the Class II skim milk price for August 2016 is \$6.71 per cwt, and the Class II nonfat solids price is \$0.7456. The two-week product price averages for August 2016 are: butter \$2.3245, nonfat dry milk \$0.8428, cheese \$1.6231 and dry whey \$0.2745.

CME GROUP

MONDAY, JULY 18, 2016

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.6600; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$1.6650; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6700
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8700
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.2925; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2925; LAST OFFER UNCOVERED: NONE

TUESDAY, JULY 19, 2016

CHEESE -- SALES: 2 CARS BARRELS @ \$1.7550; 1 CAR 40# BLOCKS @ \$1.6775; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$1.6800; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 1 @ \$0.8500, 1 @ \$0.8575, 1 @ \$0.8600, 1 @ \$0.8550, 2 @ \$0.8600, 1 @ \$0.8650; LAST BID UNFILLED: 5 CARS GRADE A @ \$0.8600; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8625
 BUTTER -- SALES: 5 CARS GRADE AA: 3 @ \$2.2900, 2 @ \$2.2925; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2950; LAST OFFER UNCOVERED: NONE

WEDNESDAY, JULY 20, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8700
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2975; LAST OFFER UNCOVERED: NONE

THURSDAY, JULY 21, 2016

CHEESE -- SALES: 2 CARS BARRELS @ \$1.7550; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.7450; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7550; 1 CAR 40# BLOCKS @ \$1.6650
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.8500, 1 @ \$0.8400; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8200; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8400
 BUTTER -- SALES: 13 CARS GRADE AA: 2 @ \$2.3000, 2 @ \$2.3025, 2 @ \$2.3000, 4 @ \$2.3050, 1 @ \$2.3075, 1 @ \$2.3000, 1 @ \$2.2925; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2700; LAST OFFER UNCOVERED: NONE

FRIDAY, JULY 22, 2016

CHEESE -- SALES: 12 CARS BARRELS: 6 @ \$1.7550, 1 @ \$1.7600, 1 @ \$1.7700, 1 @ \$1.7725, 3 @ \$1.7750; 2 CARS 40# BLOCKS: 1 @ \$1.6800, 1 @ \$1.7000; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7075; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7800
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 2 @ \$0.8400, 2 @ \$0.8425, 1 @ \$0.8500, 1 @ \$0.8525, 1 @ \$0.8450; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8450; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8500
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.2800; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS**NORTHEAST**

In an unpredictable butter market, with the tightening of supplies, cream remains adequate for most butter churning needs. Industry sources are seeing a decline in external cream intakes at some plants. While comfortable with maintaining working level inventories, those manufacturers have moved away from intake levels of previous weeks. Concurrently, some churns in the region are producing heavily due to bulk sales through last week that considerably reduced stocks. As such, depending on manufacturing objectives, butter making this week is moderate to active. Sales overall are steady with buyers making regular inquiries. Small scale micro fixing is taking place at some plants, but will likely increase moving into next month. Spot trades of bulk butter are limited this week, as butter makers manage existing stocks around expected future needs. The Northeast cash price for bulk butter ranges 5 to 8 over the market, based on the CME Group, with various time frames and averages used. The butter market conveys a firm undertone, as prices fluctuate. According to the *DMN National Retail Report-Dairy*, for July 15-22, this week's national weighted average advertised price for 1-pound butter is \$3.05, down 14 cents from last week and down 21 cents from last year. The Northeast regional price is \$3.31 down 11 cents from the previous week. In the Southeast, 1-pound butter is priced at \$3.28, down 14 cents compared to last week's butter price. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.2950, up \$0.0450 from a week ago. The Foreign Agricultural Service (FAS) reports June 2016 U.S. imports of butter totaled 1.2 million pounds, an increase of 57.6% from a year ago, while 8.1% of the yearly quota.

CENTRAL

Central region butter churns are active this week. As the Midwest faces rising temperatures and humidity, cream is tightening.

However, industry contacts report that the cream supply is not as tight as they had anticipated for this point in the season. Due to a more readily available supply than some manufacturers had planned on, July butter production is reportedly more active than in previous years. Some manufacturers are content with higher production while others would like to be at lower churn rates. Butter inventories are mixed. A few market participants speculate that a large amount of butter stocks are committed. With seasonally abnormal churn activity, several manufacturers report growing butter inventories. Demand is steady to increasing. Buyers report difficulty finding spot loads of butter in the Central region despite sufficient to growing inventories. Bulk butter prices reported ranged from market to 7.5 cents over the market, with various time frames and averages used. The market undertone is firm. The *DMN National Retail Report-Dairy* for July 15-21 noted the national weighted average advertised price for a 1 pound package of butter was \$3.05, \$0.14 below one week ago, and \$0.21 below one year ago. The weighted average price in the Midwest region is \$2.50. The weighted average price in the South Central region is \$2.65 with a price range of \$2.50-\$3.75. Wednesday at the CME Group, Grade AA butter closed at \$2.2975, up \$.0250 from last Wednesday

WEST

Western butter production is steady as butter makers work hard to fulfill current contract needs. Decreases in butter production at some facilities have been offset by active production at others. A few butter makers have opted for slowing the churns and selling off excess cream. Cream is generally available for most processing, but supplies are tight in some areas. Both buyers and sellers are watching what happens with cream availability over the next few weeks and how it may impact butter markets into the seasonally

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NATIONAL DAIRY PRODUCTS SALES REPORT
U.S. AVERAGES AND TOTAL POUNDS

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS 38% MOISTURE</u>	<u>DRY WHEY</u>	<u>NDM</u>
July 16, 2016	2.3081 2,985,685	1.5869 14,311,066	1.6925 10,174,982	.2733 7,192,297	.8357 14,625,385

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>

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butter a little harder to acquire. Although butter supplies are higher demand times of the year. Some buyers are finding bulk currently long, industry contacts say manufacturers view stocks as comfortable and they are reluctant to release spot loads of butter unless milk fats become more widely available. Domestic butter demand is solid and manufacturers report steady shipments. The *DMN National Retail Report-Dairy* for the week of July 15-21 found that the U.S. weighted average advertised price of 1 pound butter is \$3.05, down \$.14 from last week. The U.S. weighted average price was \$3.26 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.86, with a range of \$1.99-3.49. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.30, with a range of \$2.99-3.50. Bulk butter pricing in the West this week is 1 cent under market to 3 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Wednesday closed at \$2.2975, up \$.0250 from a week ago.

2016 U.S. Butter Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
June Quota	1.2	+ 57.6	8.1
TOTAL, JAN – JUNE			
High Tier	16.8	+ 200.1	...
Quota	7.2	- 32.2	46.6

CHEESE MARKETS

NORTHEAST

Although several plant maintenance projects occurred this week at area cheese operations, cheese production is mostly steady as seasonal milk supplies continue to push active processing. Cheese makers are adding to growing inventories. Domestic demand generally varies, as some manufacturers report a slowdown in sales. Global interest remains sluggish. Those Class III cheese operations with the capacity to manufacture other dairy products are better able to manage their milk intakes. Last week, the CME Group weekly average prices for both the block and barrel markets moved higher. Hence, this week the Northeast wholesale cheese price for 40# block and muenster rose \$0.0375, while Process 5# sliced increased \$0.0425. The Grade A Swiss cheese price is steady. According to the DMN *National Retail Report-Dairy*, for July 15-21, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.22, 3 cents higher than the national average, but 14 cents below the previous week's Northeast price. The Southeast 8 oz. block cheese price was \$2.31, down 2 cents from last week's Southeast price. Tuesday's CME Group daily cash prices saw both block and barrel prices continue to trend higher. Barrels closed at \$1.7550, up \$0.0325 from last week. Blocks closed at \$1.6800, up \$0.0500 from week ago prices. The Foreign Agricultural Service (FAS) reports June 2016 U.S. imports of cheese totaled 18.6 million pounds, an increase of 3.5% from a year ago, while 6.2% of the yearly quota.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 40# Block	:	2.0425-2.3275
Process 5# Sliced	:	1.9300-2.4100
Muenster	:	2.0625-2.4125
Grade A Swiss Cuts 10 - 14#	:	2.9650-3.2875

CENTRAL

Cheese production is active in the Central region. Milk production is tapering off and spot loads of milk are becoming increasingly difficult to come by. Some manufacturers are content with the decrease in fluid milk intakes while others are actively seeking spot loads and/or condensed skim loads to compensate for any fall in intakes. A few manufacturers are choosing to slow manufacturing of other commodities and push that milk into cheese production. Demand for cheese is strong and growing. Several manufacturers report buyers requesting additional loads outside of contracts as well as new buyers looking to make a purchase. Processed cheese sales continue to do well as grilling season is at its peak. Manufacturers of Italian and fresh type cheese report growing inquiries and strong sales. Inventories are mixed. Several weeks of growing sales have aided in inventory relief throughout the Central region. Numerous market participants feel they are in balance with their current inventory levels. However, active production is leading to rebuilding of stocks for some industry contacts. International interest is unchanged this week. The market undertone is steady. The DMN *National Retail Report-Dairy* shows that July 15-21 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.90, 29 cents lower than the national average. Midwest prices range from \$1.25-\$3.00. One year ago, the national price was \$2.29. For 8-ounce blocks, the Midwest average price is \$2.14, 5 cents below the national average price. Midwest ads are priced from \$1.25-\$3.50. Last year, the national price was \$2.36. This week, a cooperative export assistance program accepted requests for 756,186 pounds of cheese. So far this year, the program has accepted assistance requests for 29.826 million pounds of cheese. Midwestern wholesale prices are

unchanged for Swiss cuts, but up \$.0425 for process, and up \$.0375 for all other types. In CME Group trading Wednesday, barrels closed at \$1.7550, up \$.0325 from last Wednesday and blocks closed at \$1.6800 up \$.0500 from last Wednesday.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.8225-2.1825
Brick And/Or Muenster 5#	:	2.0125-2.4375
Cheddar 40# Block	:	1.7400-2.1350
Monterey Jack 10#	:	1.9875-2.1925
Blue 5#	:	2.2800-3.2675
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8125-2.7525
Grade A Swiss Cuts 6 - 9#	:	2.4825-2.6000

WEST

Western cheese manufacturers and producers are enjoying active and strong production. Although there has been periods of high temperatures, it has not been an issue in milk production. Plenty of milk is finding its way into cheese vats, even in areas where milk production is seasonally down. Domestic demand is strong for process cheese and fresh barrels. Some industry contacts are meeting their contractual orders. Buyers are actively seeking out current production, especially for cheese barrels, which are becoming more difficult to find and are sold relatively quickly. As processors are finding fresh barrels a little harder to acquire, inventories are stocking more cheese with age. The DMN *National Retail Report-Dairy* for the week of July 15-21 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.19, down \$.11 from last week and down \$.10 from a year ago. Packs average \$1.93 in the Southwest and \$1.89 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.19, down \$.14 from last week, and down \$.17 from a year ago. Blocks average \$2.00 in the Southwest and \$2.01 in the Northwest this week. In the West, wholesale prices are up \$.0425 for process, and up \$.0375 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted requests for 756,186 pounds (343 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 29.826 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.7550, up \$.0325 from a week ago and blocks closed at \$1.6800, up \$.0500.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.8375-2.0950
Cheddar 40# Block	:	1.7450-2.1900
Cheddar 10# Cuts	:	1.9250-2.1450
Monterey Jack 10#	:	1.9350-2.0950
Grade A Swiss Cuts 6 - 9#	:	2.5425-2.9725

FOREIGN

Cheese production in the EU during May was 2.7% above the volumes one year earlier, according to Eurolait. January-May 2016 production leads the same period of 2015 by 3.8%. Yet EU cheese exports January-April 2016 are 13.9% above the first four months of last year. The leap

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CHEESE MARKETS

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ding export destination for EU cheese is the United States, which receives 16.9% of exports. With EU consumption of cheese also higher, this keeps pressure on cheese stocks to fill orders. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices increased \$0.0375 following higher weekly average CME Group block prices. The remaining prices are unchanged.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.2075-3.6950*
Gorgonzola	3.6900-5.7400	2.7150-3.4325*
Parmesan (Italy)	-0-	3.5975-5.6875*
Romano (Cows Milk)	-0-	3.3975-5.5475*
Sardo Romano (Argentine)	2.8500-4.7800	-0-
Reggianito (Argentine)	3.2900-4.7800	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.0025-3.3250
Swiss Cuts Finnish	2.6700-2.9300	-0-

* = Price change.

COLD STORAGE

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

BUTTER : CHEESE

		:	
07/18/16	31,405	:	94,049
07/01/16	30,664	:	92,020
CHANGE	741	:	2,029
% CHANGE	2	:	2

2016 U.S. Cheese Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
June Quota	18.6	+ 3.5	6.2
TOTAL, JAN - JUNE			
High Tier	21.9	+ 29.6	...
Quota	110.3	+ 14.9	36.9

FLUID MILK AND CREAM

EAST

SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	50	0	90	0	0
SOUTHEAST STATES	0	0	0	0	0	0

Manufacturing milk supplies in both the Northeast and Mid-Atlantic regions are steady to heavy. Reductions in Class I demand increased milk supplies to manufacturing plants and have more than offset seasonal declines in milk production. Seasonally warm weather covers both areas, as dairy farms across the Northeast are challenged by lack of rain and drought conditions. Hot weather in the Southeast continues to prompt declines in milk production. The FMMO reports that Class I utilization was 64.78% in June 2016, declining 6.64% compared to the previous year. With weak Class I demand, milk loads are shifting from bottling to auxiliary manufacturing plants. Industry sources report a slight reduction in load rejections compared to the previous week. In Florida milk production is steady to lower as the state confronts recurring rain, with hot and humid conditions. The FMMO reports that Class I utilization was 83.56% in June 2016, a decrease of 0.40% compared to the previous year. Sales are currently steady to lower. Demand should increase the first week of August with the start of school. Spot milk shipments out of the area were 50 loads, down 40 loads from last week. Contacts expect import milk shipments to begin in the next 30 days. **Condensed skim** is readily available with additional spot purchases being made by Class II and III manufacturers. Class IV dryers continue to run heavy to manage the ample supplies of condensed skim. **Cream** supplies in the East are adequate. However, decreasing milk production and lower butterfat levels triggered marginal declines in availability. Some churn operators continue to acquire surplus loads as others decrease their external intakes. Interest from ice cream continues to be very active. **Multiples** for all Classes closely match last week and range **1.25-1.35**. According to the DMN *National Retail Report-Dairy*, for July 15-21, the U.S. weighted average advertised price for a gallon of milk was \$2.72, a \$0.40 increase from last week, but a 26 drop compared to last year. The weighted average regional price for a gallon of milk in the Northeast was \$3.69, up \$1.52 from the previous week. Wednesday's CME Group cash trading saw Grade AA butter close at \$2.2925, up \$0.0200, from a week ago.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES:
SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast - 2.8550-3.0834

F.O.B. producing plants: upper Midwest - 2.6951-3.1049

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .20-.85

Northeast - Class III - spot prices - .20-.55

MIDWEST

Milk production continues to drop off in the Central region. Components are down as well, leaving many milk processors making production adjustments. Spot loads are increasingly difficult to come by. However, with increased efforts, industry contacts report being able to find spot loads when they need them. Spot loads were reported at class to \$2.00 under class. Many milk marketers anticipate this situation will tighten at the end of this week and into the weekend due to the weather forecast predicting the highest temperatures the Central

region has faced thus far in the season. Bottlers report steady demand from retail and foodservice outlets. Cream is still readily available in the Central region. Many contacts report little difficulty finding spot loads of cream. A few market participants do feel the cream market is tightening. Ice cream and frozen dessert manufacturers report strong sales. Some ice cream manufacturers are stepping up production and are pulling more cream into production. Market participants anticipate this market to tighten when the forecasted high temperatures hit. Class II cream multiples are higher at the bottom end of the range but hold steady on the top end: 1.18-1.32. The DMN *National Retail Report-Dairy* for July 15-21 noted the national weighted average advertised price for one gallon of milk was \$2.72, up \$0.40 from a week ago, but \$0.26 lower than a year ago. The weighted average regional prices in the Midwest and South Central were \$2.25 and \$3.10, respectively. Several parts of the South Central area are facing dry soil moisture conditions. Producers are nearing completion of winter wheat harvest. Corn harvest is active and soybeans are blooming and setting pods. Corn is beginning to silk and tassel in the North Central area. A large portion of this year's soybean crop is blooming and, in some areas, has begun to set pods. Oat harvest is beginning in some parts of the North Central area.

WEST

Farm milk production is steady to lower in California. The higher temperatures in the Central Valley are taking a toll on cows' comfort. Some dairy operators are drying off cows, which is common for this time of year. Manufacturing milk volumes are sufficient to keep balancing plants busy. Demand for Class 1 is seasonally lower. Interest for Class 2 is steady. Class 3 (ice cream) sales are inching up. According to some industry participants, prices for condensed skim are low. As a result, some processors are drying condensed skim instead selling in the spot market. Alfalfa hay harvesting continues across the state, but inventories for high quality alfalfa are tight. In Arizona, daytime temperatures are averaging 111 degrees. Consequently, milk yields are lower this week. Class I sales to grocery stores and restaurants are steady to lower. Sales for ice cream and other Class II dairy products are higher this week. Moderate to heavy condensed skim volumes continue clearing into NDM processing plants. Harvesting of good to excellent quality alfalfa hay is active in Arizona. Milk pooled on the Arizona Order 131 totaled 434.8 million pounds in June 2016. Class I utilization accounted for about 23.5% of producer milk. The uniform price was \$14.13, \$0.35 above last month, but \$1.82 below one year ago. In New Mexico, milk production is trending lower. The warm weather is raising stress in dairy herds. Bottled milk requests from retailers are up this week as some supermarkets are restocking shelves. In addition, demand for flavored fluid milk is active. Orders from food service are steady. Class II sales are up as demand for ice cream continues increasing. Manufacturing milk volumes moving into Class III are down as some processing plants have maintenance/repair work. Condensed skim interest from NDM producers is strong. According to the DMN *National Retail Report-Dairy* for the week of July 15-21, the national weighted average advertised price for one gallon of milk is \$2.72, up 40 cents from last week, but 26 cents below a year ago. The weighted average regional prices in the Southwest and Northwest are \$2.78 and \$2.19, respectively. Pacific Northwest dairies are enjoying moderate temperatures and good cow comfort. Milk production has rebounded somewhat from the high heat several weeks ago. Milk intakes are in good balance with processing needs. A recently completed facility

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FLUID MILK AND CREAM

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expansion has increased plant capacity and reduced the amount of milk needing transport within the region. Bottling demand is relatively stable. Processors are anticipating bottling draws to increase in several weeks as they prepare for the start of school terms. Milk is readily available in the mountain states of Colorado, Idaho and Utah. Although recent high temperatures may have taken the edge off milk production, plenty of milk is available for processing needs. Milk production typically peaks in late June or early July. Some milk continues to move within and from the region as a few cooperatives and manufacturers seek to push off excess milk into neighboring states. Milk pooled on Pacific Northwest Order 124 totaled 746.6 million pounds in June 2016. Class I utilization accounted for about 20.5% of producer milk. The uniform price was \$13.84, \$0.34 above last month, but \$1.54 below one year ago. Western cream supplies continue to be tight. Cream sales into ice cream production are strong. Butter manufacturing is steady in the region. A few butter processors are selling cream supplies instead of churning. This week, multiples for all classes are steady, ranging from 1.13 to 1.28.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Low/medium heat nonfat dry milk prices are lower at both ends of the price range series while the mostly series holds steady. Sellers motivated to move spot loads of low/medium heat NDM are willing to lower their price point, pulling the price range lower. Production is steady to slightly lower in the Central region. As milk production declines seasonally, some manufacturers are choosing to redirect milk away from the dryers and into production of other commodities. Demand is mixed. Some market participants feel buyer interest is only present when offers are made at the lower end of the market. Other contacts report steady sales at or above the current market. Buyers continue to honor contracts. Many industry contacts feel a large portion of interest in the low/medium heat market stems from international buyers. Inventories are generally long. Lackluster market interest is leaving some market participants with large stocks on hand. Several manufacturers report building inventories. The market undertone is mixed. High heat nonfat dry milk prices are higher this week. Changes on contract indices pulled prices higher. Production is limited and high heat NDM dryer runs are mostly scheduled to meet contractual needs. Because production is mainly on an as needed basis, inventories are tight. The market undertone is firm.

EAST: Eastern low/medium heat nonfat dry milk prices adjusted lower in the range on active f.o.b. spot sales and bulk trading, but remained steady in the mostly series. Domestic interest is moderate as traders maintain a hand-to-mouth system of purchasing. Manufacturing plants are still running full as low/medium nonfat dry milk output levels correlate with seasonally heavy condensed skim supplies. Manufacturers are adding new production to sizeable inventories. The NDM export market is ongoing, with strong interest from Mexico, as recent results from the Global Dairy Trade auction posted a drop in SMP pricing. The market undertone is mixed. Prices for high heat nonfat dry milk are higher, prompted by index adjustments and market indicators. East market sources report tight supplies. Manufacturers, in general, find it challenging to schedule dryer time due to the volume of condensed skim on hand, resulting in irregular production episodes. Moderate interest is increasing, in a strengthening the market. Wednesday at the CME Group, Grade A NDM closed at \$0.8625, down \$0.0075 cents from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7800 - .9300 MOSTLY: .8500 - .8900
HIGH HEAT: .9300 - 1.0200

NONFAT DRY MILK - WEST

F.O.B. spot prices for western low/medium heat nonfat dry milk (NDM) are mixed on the range, but steady on the mostly series. At this point, the market is balanced as supply is very similar to the current demand. However, a few buyers/end users are pushing manufacturers to lower prices. Also, a few processors do not hesitate to hold stocks, anticipating higher prices in the near future. According to some industry participants, low/medium heat NDM spot prices will be close to one dollar per pound by Q4. The resale market has been very active this week. NDM sales to cheese makers and bakers are active. Demand from Mexico is strong. Low/medium heat NDM production is ongoing as moderate condensed skim volumes continue moving into dryers. Inventories are mostly steady, but a little tight in some processing

plants. F.O.B. spot prices for high heat nonfat dry milk are steady to slightly higher. Interest from bakers is rising. Spot sales are limited as supplies are very tight. Production is irregular, in line with contractual needs.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8075 - .9500 MOSTLY: .8700 - .9300
HIGH HEAT: .9100 - 1.0300

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
July 15	\$.8118	10,519,545
July 8	\$.8668	6,516,484

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are higher this week in a quiet market. Buyers seeking dry buttermilk to meet certain specifications pulled prices higher in several instances. Central region dry buttermilk production is active in reaction to active butter making. Demand is mixed. Some market participants report increased inquiries from buyers this week while other contacts feel interest in dry buttermilk is unchanged from recent weeks. Several ice cream and frozen dessert manufacturers report increases in production and buyer interest, requiring them to purchase additional loads of dry buttermilk in order to meet demand. Inventories are mixed. Several manufacturers report tight inventories with little to no availability for spot sales. Other contacts are managing comfortable to long inventories. The market undertone is mixed.

EAST: Dry buttermilk prices in the East region increased based on f.o.b. spot sales. Dry buttermilk production runs are driven by plant needs. And so, some operators continue to clear up dryer time by diverting supplies of condensed buttermilk to ice cream in lieu of increasing their dry buttermilk output. Inventories are moderate at most plants. In some instances, buyers report little success in locating individual supply outlets that are able to fill their interest level. Few dry buttermilk loads exchanged hands in cash markets this week. Overall, demand is fair to good, with contracted deliveries moving in a timely fashion. The dry buttermilk market undertone is firm.

F.O.B. CENTRAL/EAST: .7600 - .8800

DRY BUTTERMILK - WEST

F.O.B. spot prices for western dry buttermilk are mixed on light trading. The market undertone is firm. Demand from the bakery sector is good. Butter churning in the region is less active compared to Q1 and Q2. As a result, condensed buttermilk supplies are less available to dry. In addition, ice cream manufacturers are pulling significant condensed buttermilk volumes. Therefore, dry buttermilk production is trending lower. Inventories are tight in many processing plants.

F.O.B. WEST: .7400 - .8400 MOSTLY: .7600 - .8000

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NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

-CONTINUED FROM PAGE 5-**DRY WHOLE MILK - NATIONAL**

National f.o.b. spot prices for dry whole milk are unchanged on light trading. Demands from the bakery and confectionary sectors are fair to good. According to some industry participants, the market is getting slightly stronger in the East, but is steady in the Central region. In the West, domestic demand is low. Some western manufacturers are trying to compete with the lower international prices. Dry whole milk production is sporadic, mostly dictated by contractual requirements. Inventories are mixed throughout the country.

F.O.B. PRODUCING PLANT:

1.1800 - 1.4500

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY - CENTRAL

Dry whey prices in the Central region are steady this week. Production is steady. Although milk production is decreasing across the region, many cheese manufacturers are seeking spot loads of milk to maintain production levels, keeping the whey stream active. Demand is steady. Several manufacturers report that the majority of current sales are on a contract basis. However, other brokers and manufacturers are getting calls from buyers looking to purchase spot loads of dry whey. A few end users report requests from suppliers to take additional loads with their contracts. International buyers continue to seek loads of dry whey from the U.S., although some market participants feel their role in the market is not as strong as in recent weeks. Inventories are mixed. Some industry contacts believe whey inventories are long in the Central region. Other contacts report comfortable to light inventories. The market is steady to firming. Animal feed dry whey prices are unchanged this week. Several feed blenders report a small uptick in sales and are hopeful the seasonal slump they typically see this time of year is ending. Many market participants report a plentiful supply of off specification dairy powders available on the spot market. Although contacts report being comfortable with current inventory levels, they are pursuing offers from sellers if the price is right. The market undertone is steady.

F.O.B. CENTRAL: .2300 - .3500 MOSTLY: .2350 - .2750
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1300 - .2150

DRY WHEY - NORTHEAST

Dry whey prices in the East are seeing upward movement at the bottom of the range as f.o.b. spot sales adjust to the market. Milk supply levels, to cheese manufacturing, help maintain dry whey production rates within the region. Demand for dry whey is good, with regular inquiries, as loads clear to ice cream production. The existing dry whey markets convey a mixed undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2650 - .3000

DRY WHEY - WEST

Western whey prices are steady this week and the market tone is mixed. Industry contacts note that inventories are a little tight for some specific brands. A few manufacturers' stocks are committed and the recent demand for dry whey in some export channels has helped draw down inventories. A few contacts suggest, however, there are no issues finding available dry whey and inventories may be a little heavy in some secondary markets. In addition, demand has been good in some export channels, but a few market participants say that demand has cooled somewhat in recent weeks. Domestic inquiries remain steady, but not outstanding. Production is stable.

NONHYGROSCOPIC: .2350 - .3400 MOSTLY: .2500 - .2925

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are mostly steady, but moved slightly lower at the bottom of the price range. In some cases, buyers are pushing back as processors ask for higher prices. In addition, a few industry contacts suggest there is some product available at discounted prices. Demand for WPC34% that meets specification for infant formula is strong and buyers are actively looking for supplies. Inventories are committed for this type of WPC34%. However, for some other types of WPC34%, stocks are more widely available and demand somewhat flat. Manufacturers report production of WPC34% is steady.

F.O.B. EXTRA GRADE 34% PROTEIN: .5850 - .7800 MOSTLY: .6650 - .7275

LACTOSE - CENTRAL AND WEST

Lactose prices are fairly steady, but a block of spot sales pushed the top end of the mostly price series slightly higher. Buyers looking for specific brands of lactose seem willing to agree to higher prices in order to assure coverage. Manufacturers describe strong demand and tight inventories, especially for higher mesh lactose. However, buyers who are not as concerned about brand or specific product characteristics are finding adequate supplies of lactose available at prices in the lower end of the price range. Processors say production is active and steady. But several manufacturers' dryers are shut down for a few weeks as they conduct maintenance and repairs.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1850 - .3775 MOSTLY: .2300 - .3300

CASEIN - NATIONAL

Rennet casein prices slightly firmed at each end of the price range, as did acid casein. Markets have been quiet this week, in part due to the vacation season in parts of the EU. GDT Event 168 on July 19 resulted in no August contracts, but all contracts for rennet casein increased 0.4%.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.6500 - 2.9000
ACID: 2.7000 - 2.9500

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

WEEK ENDING	2016 WEEKLY DAIRY COWS	2016 CUMULATIVE DAIRY COWS	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS
07/02/2016	510.2	1,501.0	48.3	1,519.8

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44

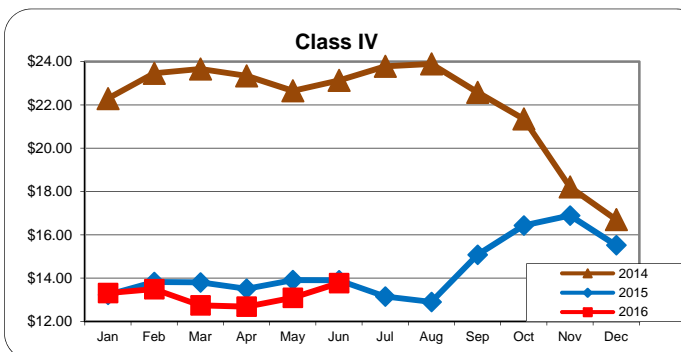
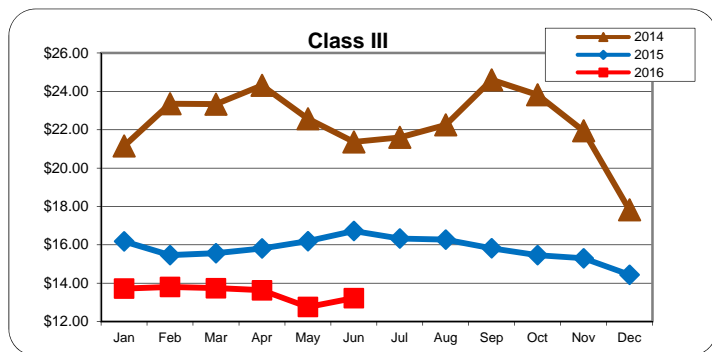
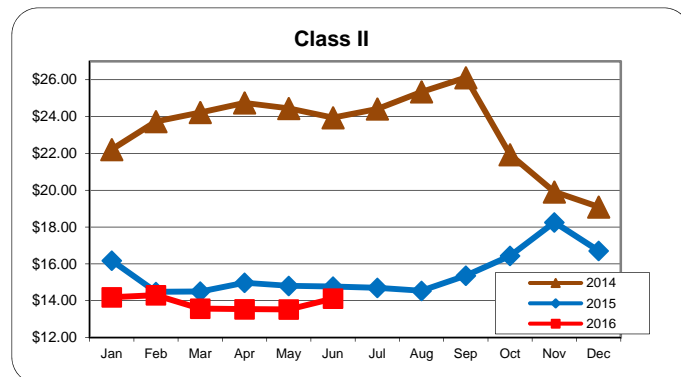
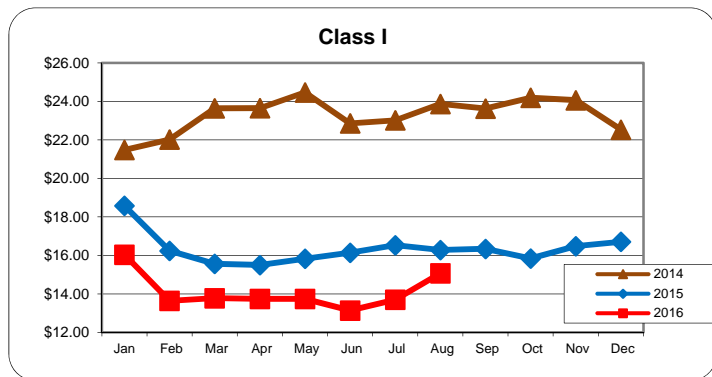
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52

FEDERAL MILK ORDER CLASS PRICES FOR 2016 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64	13.78	13.74	13.70	13.14	13.70	15.07				
II	14.19	14.30	13.57	13.54	13.53	14.12						
III	13.72	13.80	13.74	13.63	12.76	13.22						
IV	13.31	13.49	12.74	12.68	13.09	13.77						

1/ Specific order differentials to be added to this base price can be found by going to: www.ams.usda.gov/DairyMarketingStatistics; then select "Prices"; and then select "Principal Pricing Points."



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered July 11 - 22, 2016

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW: Milk production in the EU January-May 2016 is 4.4% above the same period of 2015. Production during May this year is 0.2% above May last year, a slowing for May compared with the year as a whole. Germany, France, Netherlands, Great Britain, and Italy are the five top producing countries in Western Europe. New government efforts to provide support to EU dairy producers, in an effort to reduce milk production, moved forward this week. On Monday, the EU Commissioner for Agriculture and Rural Development proposed new measures to the Council of EU Agriculture Ministers, measures intended to lead to price recovery and lower milk production. Final details will be determined in coming weeks, but the basic components are established. A lead component is an EU wide plan to incentivize reduced milk production. This will be funded with €50 million. A separate program to provide aid to producers will be implemented on a country basis by the EU member countries. Funding for this will be €350 million of EU funds, spread throughout the EU. Each implementing country will be allowed to match with national funds as to the amount expended in each country. This measure was deemed important to mitigate the activity of a number of dairy producers to increase production as prices fall, so as to maintain cash flow. Finally, the third component is a variety of technical measures including extending the life of intervention and private storage aid for skim milk powder beyond September 2016.

BUTTER/BUTTEROIL: Butter prices firmed at each end of the price range. Within the EU, German and Dutch butter prices increased more than in France. Packaged butter remains in normal seasonal demand. Bulk butter reflects a price premium to packaged butter. Manufacturers currently prefer selling cream to engaging in production of bulk butter. While bulk butter is available, sellers are not readily agreeing to lower prices many buyers seek, slowing sales. Current export demand for butter from the EU is quiet. EU butter exports January-May 2016 increased 36% from the same period of 2015 according to Eurostat. The top three destinations for the period and percentage changes from the prior year are: Saudi Arabia, +34%; Egypt, +30%; and United States, +23%.

82% BUTTERFAT: 3,350 - 3,525
99% BUTTERFAT: 3,800 - 3,900

SKIM MILK POWDER (SMP): Skim milk powder prices in the EU slightly firmed at the bottom of the price range. Within the EU, prices firmed more significantly in France than the slighter increase in Germany and the Netherlands. However, overall interest in the EU is quiet. Most third quarter orders have been filled. Negotiations for deliveries during the fourth quarter are still being negotiated for the most part. EU skim milk powder exports January-May 2016 declined 12% from the same period of 2015, according to Eurostat. The top three destinations for the period and percentage changes from the prior year are: Algeria, -20%; Egypt, -23%; and China, +14%.

1.25% BUTTERFAT: 1,900 - 2,025

SWEET WHEY POWDER: EU prices for whey powder are steady, although there are signs of increasing buyer interest. Manufacturers expect continuing increased interest in feed quality whey, but a bit less for food quality. EU dry whey exports January-April 2016 increased 4.9% from the same period of 2015, according to Eurolait. The top three destinations for the period and percentage changes from the prior year are: China, +28.3%; Indonesia, +15.8%; and Malaysia, +9.4%.

NONHYGROSCOPIC: 625 - 775

WHOLE MILK POWDER (WMP): Whole milk powder prices in the EU slightly firmed at each end of the price range. Activity remains underway to secure WMP for third quarter delivery. Demand for the fourth quarter is active and being negotiated. Global export demand for EU WMP is quiet. Many EU sources of WMP have accepted that EU pricing is disadvantageous to competing with other suppliers of WMP. EU whole milk powder exports January-May 2016 increased 3% from the same period of 2015, according to Eurostat. The top three destinations for the period and percentage changes from the prior year are: Oman, -10%; Algeria, -46%; and Kuwait, +61%.

26% BUTTERFAT: 2,300 - 2,550

EASTERN OVERVIEW: Russian imports of many dairy products increased from January-May, 2016, with Belarus being a significant source. Eurolait data shows the following Russian import percentage changes for the period, as well as the percentage sourced from Belarus: butter volumes +27.8%, 84.8% from Belarus; skim milk powder volumes +8.8%, 88.2% from Belarus; whole milk powder volumes +21.3%, 79.6% from Belarus; whey powder volumes +41.0%, 95.7% from Belarus; and cheese volumes +25.8%, 86.5% from Belarus.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered July 11 - 22, 2016

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

AUSTRALIA: In Northern Australia, along the coast and in northern New South Wales, hay purchasing has been steady but in small volumes following good weather to start the season. There has been some price weakness as sellers with large volumes of hay and silage to sell seek to induce more purchasing by producers. However, continuing drought in Central Queensland has left poor pasture availability. The lingering multi-year dryness has led to herd reductions. Many producers are too cash strapped to purchase much hay, which has led to herd reductions as a way to cope with poor pasture availability. In Southern Australia most producers are minimally feeding, constrained by cash flow. Hay is readily available but most buying is hand to mouth. Demand for purchased fodder has moderated in Western Australia following more rain and cooler temperatures. Pastures are healthy. According to Dairy Australia, May 2016 milk production in Australia was 5.5% below May 2015. For the year to date through May 2016, milk production is 1.5% below year to date one year earlier. Weather in New Zealand has turned cooler, with rain and wind. The rain will be helpful in terms of replenishing water reserves in some areas that had been dry. Dairy producers are feeling more positive this milk production season. Many are finding that production outputs are better than they had been expecting. May **NEW ZEALAND** milk production, as reported by DCANZ, was 824,000 MT, down from 1.36 million MT in April. During May 2015, milk production was 796,000 MT. At the July 19 GDT event #168, average prices ranged from 5.0% lower to 1.9% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$3,628 +0.2%; butter, \$2,687 -5.0%; buttermilk powder, \$1,565 -0.5%; cheddar cheese, \$2,886 -1.1%; lactose, \$721 -4.0%; rennet casein, \$5,286 +0.4%; skim milk powder, \$1,927 -1.1%; and whole milk powder, \$2,079 +1.9%.

BUTTER: Butter prices weakened at each end of the price range, reversing recent increases. Buying interest also declined following recent active additions to inventories by some buyers. At GDT Event 168 on July 19, butter prices for the August contract declined 4.7%, the September contract declined 11.5%, and the all contract price declined 5.0%. The magnitude of price weakness was unanticipated by a number of observers. The volume of Australian butter exports July 2015-May 2016 declined 32.3% compared with one year earlier, according to Dairy Australia. The value declined 28.4%. Australian butter production year to date through April declined 5.2% from the prior year. New Zealand butter exports January-May 2016 declined 1.1% from the same period of 2015 according to Euclait. The top three export destinations and percentage of total exports are: China, 14.7%; Iran, 13.6%; and Egypt, 11.7%.

82% BUTTERFAT: 2,650 - 3,000

SKIM MILK POWDER (SMP): Skim milk powder prices remained unchanged, with little market activity. Most regular customers are believed to have decent inventories, leading to little buying urgency. At GDT Event 168 on July 19, SMP prices for the August contract declined 0.3% and the all contract price declined 1.1%. The volume of Australian skim milk powder exports July 2015-May 2016 increased 4.4% compared with one year earlier, according to Dairy Australia. The value declined 20.3%. Australian SMP production year to date through

April declined 8.8% from the prior year. New Zealand skim milk powder exports January-May 2016 increased 1.5% from the same period of 2015 according to Euclait. The top three export destinations and percentage of total exports are: China, 22.7%; Philippines, 10.7%; and Malaysia, 8.1%.

1.25% BUTTERFAT: 1,900 - 1,950

CHEDDAR CHEESE: Cheddar pricing decreased slightly at the top of the range but remained unchanged at the bottom. Current buying interest was slow. At GDT Event 168 on July 19, cheddar prices registered no activity for the August contract and the all contract price declined 1.1%. The volume of Australian cheddar exports July 2015-May 2016 increased 12.0% compared with one year earlier, according to Dairy Australia. The value increased 4.9%. Australian cheese production year to date through April increased 0.4% from the prior year. New Zealand cheese exports January-May 2016 increased 5.7% from the same period of 2015 according to Euclait. The top three export destinations and percentage of total exports are: Japan, 19.1%; Australia, 16.9%; and China, 11.8%.

39% MAXIMUM MOISTURE: 2,800 - 2,875

WHOLE MILK POWDER (WMP): Whole milk powder prices increased slightly at the bottom of the price range but remained unchanged at the top. At GDT Event 168 on July 19, the all contracts WMP price increased 1.9% while the August contract decreased 14%. The all contract price is viewed as more influential on current market pricing due to the relatively small volume of products represented by the August contract. The volume of Australian whole milk powder exports July 2015-May 2016 increased 6.5% compared with one year earlier, according to Dairy Australia. The value increased 73.8%. Australian WMP production year to date through April declined 22.7% from the prior year. New Zealand whole milk powder exports January-May 2016 decreased 5.8% from the same period of 2015 according to Euclait. The top three export destinations and percentage of total exports are: China, 26.9%; Algeria, 8.7%; and UAE, 8.5%.

26% BUTTERFAT: 2,125 - 2,300

**Exchange rates for selected foreign currencies:
July 18, 2016**

.0660 Argentina Peso	.0094 Japan Yen
.7590 Australian Dollar	.0544 Mexican Peso
.7725 Canadian Dollar	.7115 New Zealand Dollar
1.1076 Euro	.2535 Poland Zloty
.0149 India Rupee	

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0544) = 18.3824 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 168 Recap - July 19, 2016													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Aug-16		Sep-16		Oct-16		Nov-16		Dec-16		Jan-17			
Anhydrous Milk Fat	\$3,716	-8.8%	\$3,654	-1.0%	\$3,630	0.9%	\$3,586	2.0%	\$3,596	3.8%	\$3,603	1.7%	\$3,628	0.2%
Butter	\$3,015	-4.7%	\$2,610	-11.5%	\$2,635	-4.3%	\$2,715	-0.5%	\$2,785	-0.2%	\$2,905	1.0%	\$2,687	-5.0%
Buttermilk Powder	n.a.		\$1,490	-6.6%	\$1,595	5.6%	\$1,715	n.a.	n.a.		n.a.		\$1,565	-0.5%
Cheddar	n.a.		\$3,266	3.3%	\$2,817	-3.8%	\$2,782	-0.5%	n.a.		n.a.		\$2,886	-1.1%
Lactose	n.a.		\$721	-4.0%	n.a		n.a.		n.a.		n.a.		\$721	-4.0%
Rennet Casein	n.a.		\$5,204	-1.2%	\$5,413	2.0%	\$5,574	4.9%	n.a.		n.a.		\$5,286	0.4%
Skim Milk Powder	\$1,905	-0.3%	\$1,895	-2.1%	\$1,941	-0.3%	\$1,958	0.4%	\$1,939	-1.4%	\$1,939	-2.0%	\$1,927	-1.1%
Sweet Whey Powder	n.a.		n.a.		n.a		n.a.		n.a.		n.a.		n.a.	
Whole Milk Powder	\$2,120	-14.0%	\$2,045	0.4%	\$2,075	2.5%	\$2,087	2.5%	\$2,121	3.2%	\$2,130	3.5%	\$2,079	1.9%

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (gDT) Event 168 Recap - July 19, 2016													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Aug-16		Sep-16		Oct-16		Nov-16		Dec-16		Jan-17			
Anhydrous Milk Fat	\$1.6856	-8.8%	\$1.6574	-1.0%	\$1.6466	0.9%	\$1.6266	2.0%	\$1.6311	3.8%	\$1.6343	1.7%	\$1.6457	0.2%
Butter	\$1.3676	-4.7%	\$1.1839	-11.5%	\$1.1952	-4.3%	\$1.2315	-0.5%	\$1.2633	-0.2%	\$1.3177	1.0%	\$1.2188	-5.0%
Buttermilk Powder		n.a.	\$0.6759	-6.6%	\$0.7235	5.6%	\$0.7779	n.a.		n.a.		n.a.	\$0.7099	-0.5%
Cheddar		n.a.	\$1.4814	3.3%	\$1.2778	-3.8%	\$1.2619	-0.5%		n.a.		n.a.	\$1.3091	-1.1%
Lactose		n.a.	\$0.3270	-4.0%		n.a.		n.a.		n.a.		n.a.	\$0.3270	-4.0%
Rennet Casein		n.a.	\$2.3605	-1.2%	\$2.4553	2.0%	\$2.5283	4.9%		n.a.		n.a.	\$2.3977	0.4%
Skim Milk Powder	\$0.8641	-0.3%	\$0.8596	-2.1%	\$0.8804	-0.3%	\$0.8881	0.4%	\$0.8795	-1.4%	\$0.8795	-2.0%	\$0.8741	-1.1%
Sweet Whey Powder		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.
Whole Milk Powder	\$0.9616	-14.0%	\$0.9276	0.4%	\$0.9412	2.5%	\$0.9467	2.5%	\$0.9621	3.2%	\$0.9662	3.5%	\$0.9430	1.9%

Average price US\$/pound and % change from previous event.

CME GROUP, INC FUTURES

Selected settling prices

Month	07/08	07/11	07/12	07/13	07/14	07/15	07/18	07/19	07/20	07/21
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 16	15.20	15.19	15.21	15.24	15.34	15.33	15.32	15.34	15.33	15.27
AUG 16	15.96	15.77	15.77	15.89	16.41	16.46	16.50	16.58	16.50	16.45
SEP 16	16.06	15.89	15.85	15.97	16.46	16.49	16.55	16.60	16.48	16.49
OCT 16	16.15	16.03	15.98	16.05	16.41	16.52	16.67	16.70	16.55	16.49
NOV 16	16.10	16.04	15.95	16.07	16.22	16.40	16.50	16.50	16.32	16.28
DEC 16	15.90	15.89	15.86	15.98	16.06	16.18	16.30	16.25	16.06	16.03
JAN 17	15.82	15.82	15.80	15.85	15.97	16.04	16.10	16.09	15.98	15.92
FEB 17	15.90	15.90	15.90	15.92	16.02	16.10	16.15	16.15	16.04	16.02
MAR 17	15.91	15.91	15.91	15.92	16.10	16.15	16.15	16.15	16.05	16.13
APR 17	16.05	16.05	16.00	16.05	16.20	16.23	16.24	16.20	16.15	16.16
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 16	15.07	15.03	15.00	15.00	15.08	15.08	15.10	15.10	15.10	15.10
AUG 16	15.87	15.79	15.55	15.55	15.63	15.63	15.78	15.78	15.65	15.47
SEP 16	16.31	16.19	15.98	15.98	16.28	16.37	16.37	16.26	16.14	15.85
OCT 16	16.37	16.17	16.00	16.00	16.19	16.24	16.51	16.40	16.38	16.21
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
JUL 16	230.13	230.15	230.15	231.00	232.30	232.30	231.58	231.58	231.58	231.58
AUG 16	234.80	234.63	231.48	232.00	235.00	237.53	237.53	237.53	233.50	231.75
SEP 16	240.00	235.05	233.25	235.25	240.00	240.50	240.50	239.50	237.50	236.05
OCT 16	236.50	234.05	232.00	234.00	236.53	240.00	240.00	239.98	237.98	236.75
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
JUL 16	85.65	85.63	85.68	86.00	86.05	86.00	86.40	86.30	85.30	84.28
AUG 16	93.43	92.00	91.50	92.38	93.00	92.80	92.00	92.08	90.40	89.10
SEP 16	97.13	94.75	94.13	96.00	96.30	96.30	96.50	95.60	94.00	92.70
OCT 16	99.00	97.00	96.25	99.00	99.13	98.75	99.40	98.53	97.00	96.03
WHEY (Electronic-Traded) (¢/lb)										
JUL 16	27.38	27.38	27.50	27.15	27.90	27.90	27.90	27.90	27.50	27.50
AUG 16	29.60	29.60	29.58	28.83	29.00	29.50	29.50	29.50	29.50	28.95
SEP 16	31.50	31.50	31.48	30.80	31.25	31.50	31.50	31.50	31.50	30.90
OCT 16	32.15	32.15	32.15	32.00	32.25	32.28	32.28	32.28	32.28	31.95
CHEESE CSC (Electronic-Traded) (\$/lb)										
JUL 16	1.64	1.64	1.64	1.64	1.65	1.65	1.65	1.65	1.65	1.64
AUG 16	1.70	1.68	1.68	1.69	1.75	1.75	1.76	1.76	1.76	1.76
SEP 16	1.70	1.68	1.68	1.71	1.74	1.74	1.75	1.76	1.75	1.74
OCT 16	1.70	1.70	1.69	1.71	1.73	1.74	1.76	1.76	1.74	1.74
NOV 16	1.69	1.69	1.68	1.70	1.71	1.73	1.74	1.74	1.72	1.72

Source: <http://www.cmegroup.com/market-data/daily-bulletin.html>

Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, April 2016, With Comparisons

In April 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.89 per cwt, down \$0.07 per cwt from the March 2016 average and down \$1.55 per cwt from the April 2015 average. The component tests of producer milk in April 2016 were: butterfat, 3.77%; protein, 3.12%; and other solids, 5.75%. When compared to the previous month, the April Mailbox prices decreased in 14 Federal milk order reporting areas and increased in 4 Federal milk order reporting areas. The Southern Missouri area experienced the greatest decrease of \$0.28 per cwt and the Indiana area experienced the greatest increase of \$0.51 per cwt. Averaged over all Federal milk order reporting areas, the April 2016 Mailbox price decreased an average of \$0.06 per cwt. Mailbox prices in April 2016 ranged from \$16.30 in the New England States to \$13.29 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	April 2015	March 2016	April 2016
	<i>(dollars per hundredweight)</i>		
New England States ³	17.97	16.36	16.30
New York	16.55	15.08	15.06
Eastern Pennsylvania ⁴	16.41	15.10	15.09
Appalachian States ⁵	16.54	15.17	15.11
Southeast States ⁶	16.61	14.72	14.68
Southern Missouri ⁷	15.95	14.46	14.18
Florida	17.77	15.68	15.69
Western Pennsylvania ⁸	16.72	15.21	15.06
Ohio	16.79	15.18	15.23
Indiana	16.04	14.61	15.12
Michigan	15.58	13.51	13.39
Wisconsin	17.51	15.68	15.52
Minnesota	17.36	15.70	15.46
Iowa	16.65	15.31	15.11
Illinois	16.79	15.31	15.35
Corn Belt States ⁹	15.56	14.25	14.21
Western Texas ¹⁰	15.49	14.27	14.16
New Mexico	14.39	13.48	13.29
Northwest States ¹¹	15.69	14.56	14.56
All Federal Order Areas ¹²	16.44	14.96	14.89
California ¹³	14.43	13.61	13.27

¹ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders.

² Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

³ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

⁴ Includes all counties to the east of those listed in ⁸.

⁵ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

⁶ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

⁷ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

⁸ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

⁹ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in ⁷.

¹⁰ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

¹¹ Includes Oregon and Washington.

¹² Weighted average of prices for all selected reporting areas.

¹³ Calculated by California Department of Food and Agriculture, and published at:

<https://www.cdfa.ca.gov/dairy/uploader/postings/mailboxmap/Default.aspx>

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Federal Milk Order Marketing and Utilization Summary, June 2016

Highlights. Handler reports of receipts and utilization under the Federal milk order system for June 2016 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During June, more than 11.7 billion pounds of milk were received from Federally pooled producers. This volume of milk is 28.7 percent higher than the June 2015 volume. Regulated handlers pooled 3.154 billion pounds of producer milk as Class I products, down 1.7 percent when compared to the previous year. Class I utilization decreased in 9 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 27%, Class II = 11%, Class III = 50%, and Class IV = 12%. The weighted average statistical uniform price was \$14.35 per cwt, up \$0.29 from last month but down \$2.51 from last year.

Price and Pool Statistics for Federal Milk Order Marketing Areas for the Month of June 2016

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes ³				Uniform Price ²
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>	<i>(percent)³</i>				<i>(\$ per cwt)</i>
Northeast (Boston)	001	2,263.1	8.3	681.0	-4.4	30	25	28	18	15.01
Appalachian (Charlotte)	005	460.7	1.0	298.7	-1.3	65	16	5	14	15.93
Florida (Tampa)	006	207.9	-1.5	173.7	-1.9	84	11	4	1	17.93
Southeast (Atlanta)	007	457.3	7.4	296.3	-2.6	65	16	12	7	16.17
Upper Midwest (Chicago)	030	3,034.6	46.8	262.1	-3.6	9	1	89	1	13.46
Central (Kansas City)	032	1,422.3	33.4	369.3	-0.4	26	9	51	14	13.84
Mideast (Cleveland)	033	1,647.9	14.9	483.0	-0.3	29	15	38	17	14.17
Pacific Northwest (Seattle)	124	746.6	62.0	152.8	-4.2	20	6	42	32	13.84
Southwest (Dallas)	126	1,124.6	99.7	335.4	4.4	30	8	55	7	14.68
Arizona (Phoenix)	131	434.8	9.5	102.0	-2.9	23	12	32	32	14.13
All Market Average or Total		11,799.7	28.7	3,154.1	-1.7	27	11	50	12	14.35

¹ Names in parentheses are the major city in the principal pricing point of the market.

² Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965

³ Totals may not add to 100 percent due to rounding.

FEDERAL MILK ORDER ADVANCE CLASS PRICES, AUGUST

Base Class I Price: Under the Federal milk order pricing system, the base Class I price for August 2016 is \$15.07 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$6.16 and the advanced butterfat pricing factor of \$2.6073. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I Price

Comparison to Previous Month: The base Class I price increased \$1.37 per cwt when compared to the previous month of July 2016. For select consumer products, the price changes are: whole milk (3.25% milk fat), \$1.31 per cwt, \$0.113 per gallon; reduced fat milk (2%), \$1.03 per cwt, \$0.089 per gallon; fat-free (skim milk), \$0.70 per cwt, \$0.060 per gallon.

Class II Price Information: The advanced Class IV skim milk pricing factor is \$6.01. Thus, the Class II skim milk price for August 2016 is \$6.71 per cwt, and the Class II nonfat solids price is \$0.7456.

Product Price Averages: The two-week product price averages for August 2016 are: butter \$2.3245, nonfat dry milk \$0.8428, cheese \$1.6231 and dry whey \$0.2745.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION^{1 2}

Federal Milk Order Marketing Area ³	Order Number	August 2016		
		Class I Price (3.5%)	Class I Skim Milk Price	Class I Butterfat Price
		<i>\$ per cwt</i>	<i>\$ per cwt</i>	<i>\$ per pound</i>
Northeast (Boston) ⁴	001	18.32	9.41	2.6398
Appalachian (Charlotte) ⁵	005	18.47	9.56	2.6413
Florida (Tampa) ⁶	006	20.47	11.56	2.6613
Southeast (Atlanta) ⁷	007	18.87	9.96	2.6453
Upper Midwest (Chicago) ⁸	030	16.87	7.96	2.6253
Central (Kansas City) ⁹	032	17.07	8.16	2.6273
Mideast (Cleveland) ¹⁰	033	17.07	8.16	2.6273
Pacific Northwest (Seattle) ¹¹	124	16.97	8.06	2.6263
Southwest (Dallas) ¹²	126	18.07	9.16	2.6373
Arizona (Phoenix)	131	17.42	8.51	2.6308
All-Market Average		17.96	9.05	2.6362

¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.

² Note: The mandatory \$0.20 per cwt processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

³ Names in parentheses are the major city in the principal pricing point of the markets.

⁴ Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25.

⁵ Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

⁶ Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

⁷ Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

⁸ Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

⁹ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

¹¹ Class I prices at other cities are: Portland, same; and Spokane, same.

¹² Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

June Milk Production

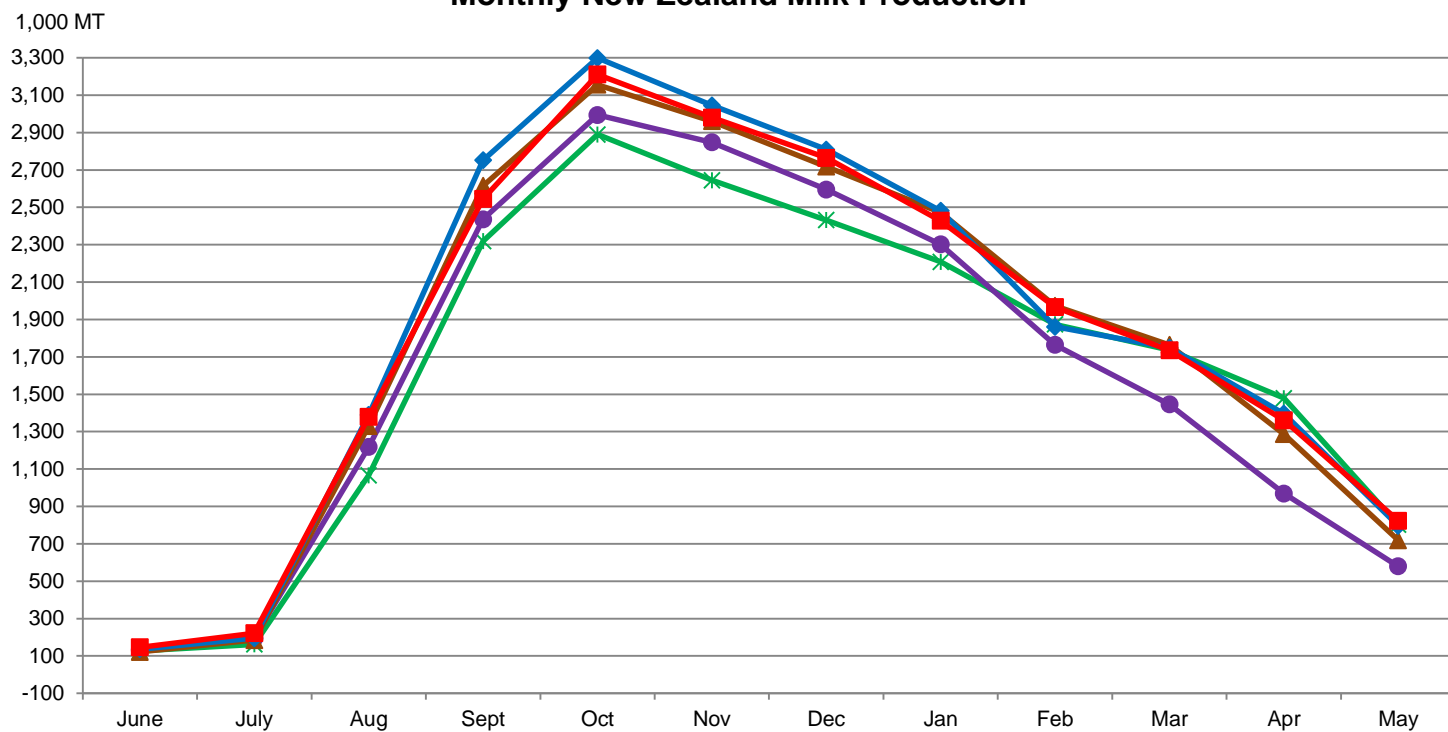
Milk production in the 23 major States during June totaled 16.7 billion pounds, up 1.6 percent from June 2015. May revised production at 17.4 billion pounds, was up 1.2 percent from May 2015. The May revision represented a decrease of 2 million pounds or less than 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,926 pounds for June, 26 pounds above June 2015. This is the highest production per cow for the month of June since the 23 State series began in 2003. The number of milk cows on farms in the 23 major States was 8.65 million head, 17,000 head more than June 2015, and 3,000 head more than May 2016. Milk production in the United States during the April - June quarter totaled 54.4 billion pounds, up 1.2 percent from the April - June quarter last year. The average number of milk cows in the United States during the quarter was 9.33 million head, 8,000 head more than the January - March quarter, and 6,000 head more than the same period last year.

State	Milk Cows ^{1,2}				Milk Production ^{1,3}			
	June		Apr - June		June		Apr - June	
	2015	2016	2015	2016	2016	Percent change from 2015	2016	Percent change from 2015
	<i>(thousands)</i>				<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>
AL	--	--	8.0	7.0	--	--	26.0	-7.1
AK	--	--	0.3	0.3	--	--	0.9	--
AZ	195	198	195.0	198.0	410	2.8	1,285.0	2.1
AR	--	--	7.0	6.5	--	--	22.0	-15.4
CA	1,778	1,770	1,778.0	1,771.0	3,363	-1.0	10,396.0	-2.4
CO	145	149	145.0	149.0	317	2.3	965.0	2.2
CT	--	--	19.5	19.0	--	--	105.0	2.9
DE	--	--	5.0	5.0	--	--	25.7	-0.8
FL	125	122	125.0	123.0	214	-4.5	674.0	-3.9
GA	--	--	82.0	85.0	--	--	483.0	3.0
HI	--	--	2.3	2.5	--	--	9.7	-3.0
ID	586	591	586.0	591.0	1,223	2.3	3,676.0	2.1
IL	94	94	95.0	94.0	160	0.6	498.0	--
IN	181	184	181.0	184.0	337	2.1	1,049.0	2.4
IA	212	211	212.0	211.0	413	2.0	1,271.0	2.3
KS	143	145	144.0	145.0	268	3.5	833.0	1.3
KY	--	--	62.0	58.0	--	--	284.0	-1.7
LA	--	--	14.0	12.5	--	--	49.0	-5.8
ME	--	--	30.0	30.0	--	--	163.0	8.7
MD	--	--	49.0	48.0	--	--	244.0	-4.3
MA	--	--	12.0	11.5	--	--	56.0	--
MI	408	419	406.0	418.0	918	5.4	2,776.0	6.3
MN	460	463	460.0	461.0	813	2.1	2,471.0	2.4
MS	--	--	12.0	10.0	--	--	40.0	-14.9
MO	--	--	88.0	88.0	--	--	360.0	-2.7
MT	--	--	14.0	14.0	--	--	75.0	-2.6
NE	--	--	56.0	61.0	--	--	354.0	7.9
NV	--	--	29.0	30.0	--	--	164.0	-2.4
NH	--	--	14.0	13.5	--	--	73.0	1.4
NJ	--	--	7.0	6.5	--	--	32.0	-3.0
NM	323	310	323.0	310.0	634	-3.5	1,970.0	-3.6
NY	618	620	618.0	620.0	1,249	4.2	3,760.0	4.9
NC	--	--	46.0	47.0	--	--	252.0	-1.6
ND	--	--	16.0	16.0	--	--	88.0	3.5
OH	266	266	267.0	266.0	466	1.3	1,419.0	0.7
OK	--	--	40.0	38.0	--	--	185.0	-3.1
OR	124	126	124.0	126.0	219	1.9	665.0	1.5
PA	530	530	530.0	530.0	914	0.6	2,809.0	0.5
RI	--	--	0.9	0.8	--	--	3.7	-7.5
SC	--	--	15.0	15.0	--	--	68.0	-4.2
SD	106	115	105.0	114.0	210	6.6	638.0	8.7
TN	--	--	46.0	43.0	--	--	184.0	-7.5
TX	462	468	462.0	465.0	880	3.8	2,715.0	2.2
UT	96	92	96.0	93.0	179	-6.3	546.0	-4.7
VT	132	131	132.0	131.0	229	1.3	694.0	1.8
VA	91	90	92.0	90.0	143	-2.7	446.0	-3.3
WA	275	275	276.0	275.0	553	--	1,680.0	-0.6
WV	--	--	9.0	9.0	--	--	36.0	-2.7
WI	1,280	1,278	1,279.0	1,279.0	2,543	3.8	7,697.0	4.4
WY	--	--	6.0	6.0	--	--	34.6	1.8
23 State Total	8,630	8,647	--	--	16,655	1.6	--	--
U.S. ^{4,5}			9,321.0	9,327.0			54,351.0	1.2

¹ Preliminary. ² Includes dry cows, excludes heifers not yet fresh. ³ Excludes milk sucked by calves. ⁴ Includes states for which individual monthly estimates are not available.

⁵ Milk cows will not add due to rounding. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production*, (July 2016).

Monthly New Zealand Milk Production

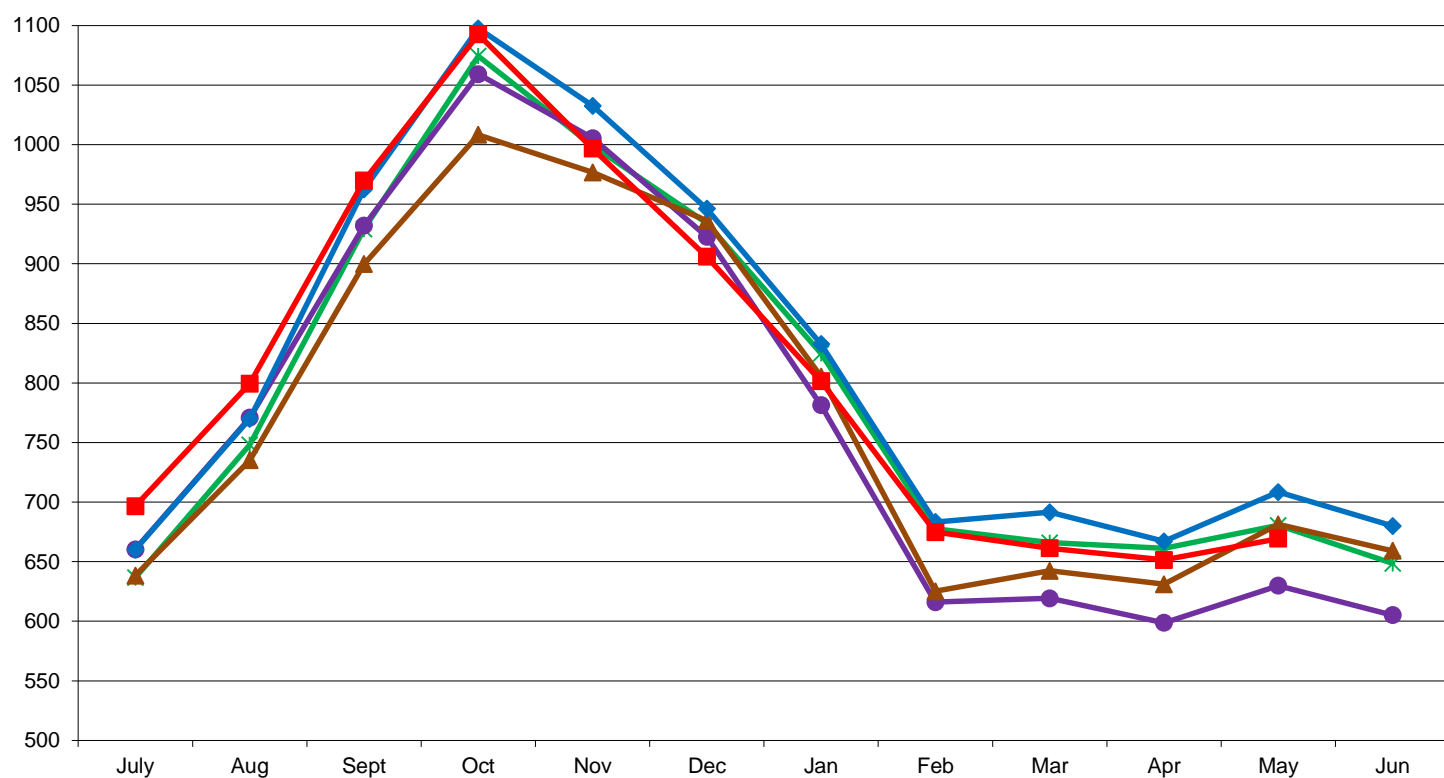


DATA SOURCE, DCANZ; GRAPH, USDA, AMS, DMN

* 2011-12 ● 2012-13 ▲ 2013-14 ◆ 2014-15 ■ 2015-16

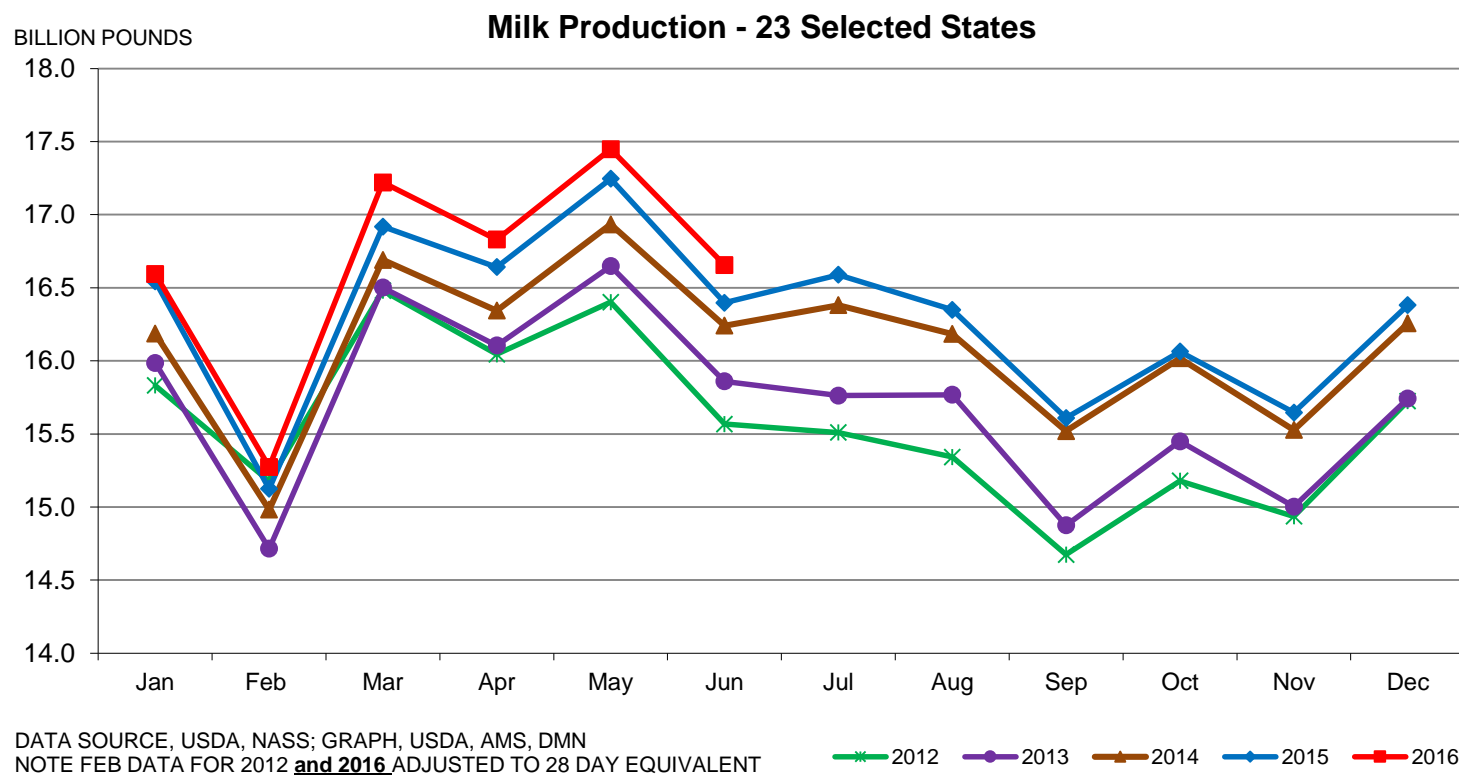
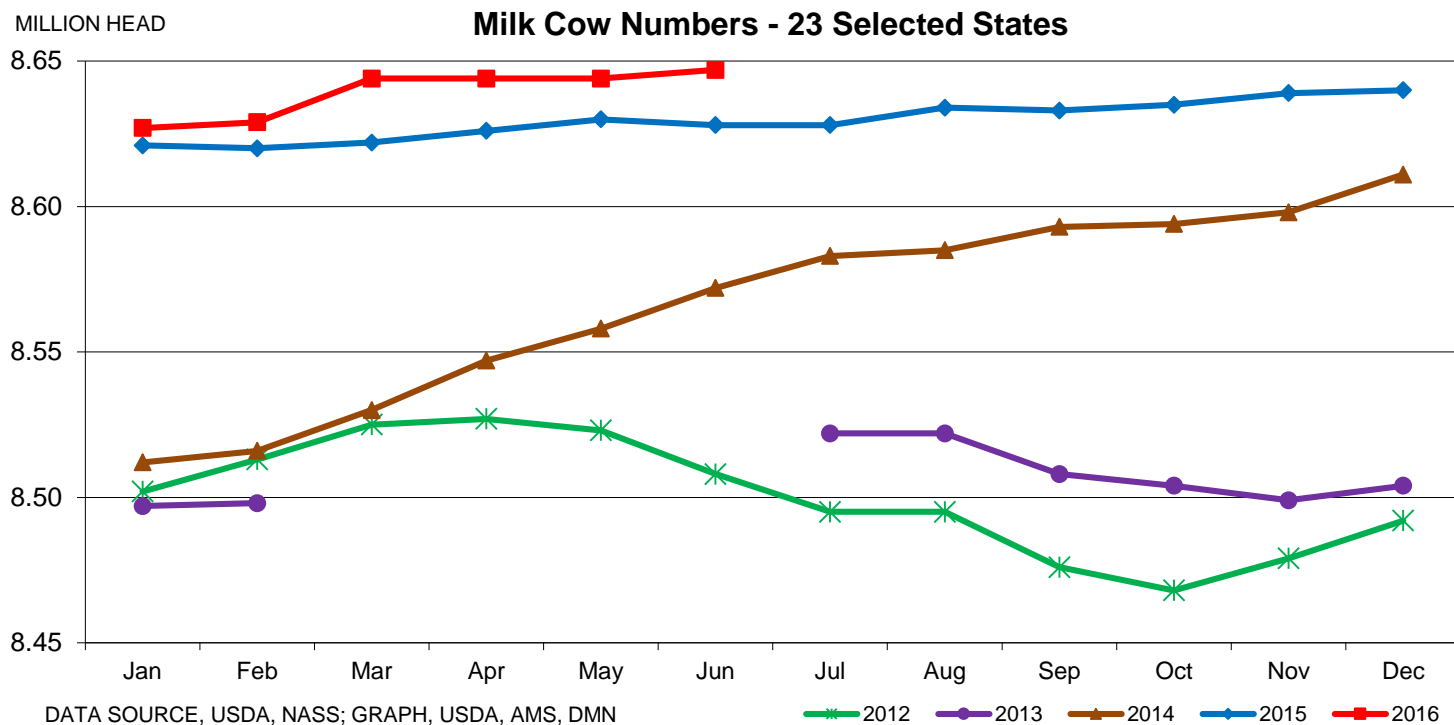
MILLION LITRES

Monthly Australian Milk Production



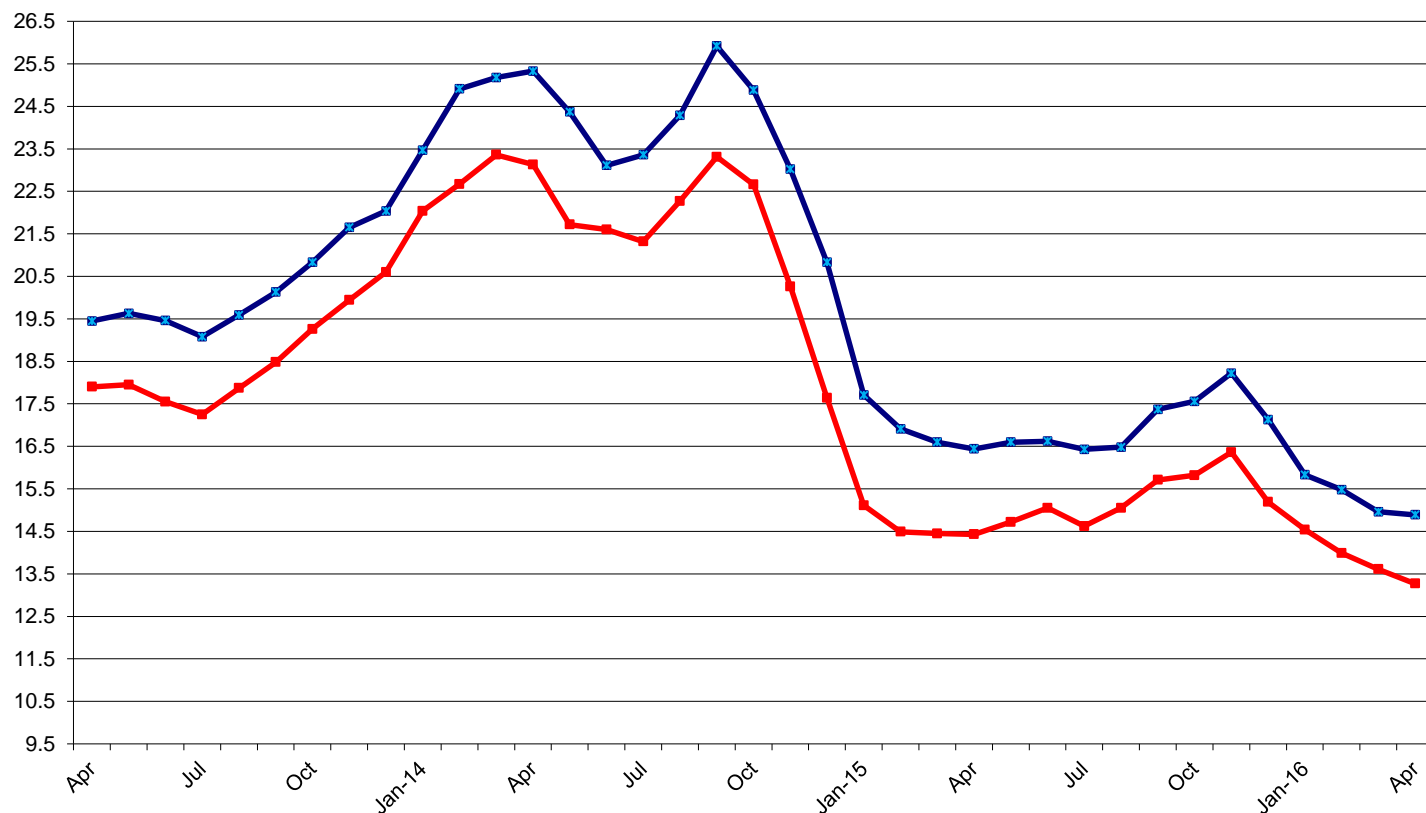
DATA SOURCE, DAIRY AUSTRALIA LTD.; GRAPH, USDA, AMS, DI

* 2011-12 ● 2012-13 ▲ 2013-14 ◆ 2014-15 ■ 2015-16



PER CWT.

Monthly Mailbox Price Average for Federal Orders And California



DATA SOURCE: USDA, DAIRY PROGRAMS & STATE OF CALIFORNIA, CDFA; GRAPH: USDA, DMN

FO CA



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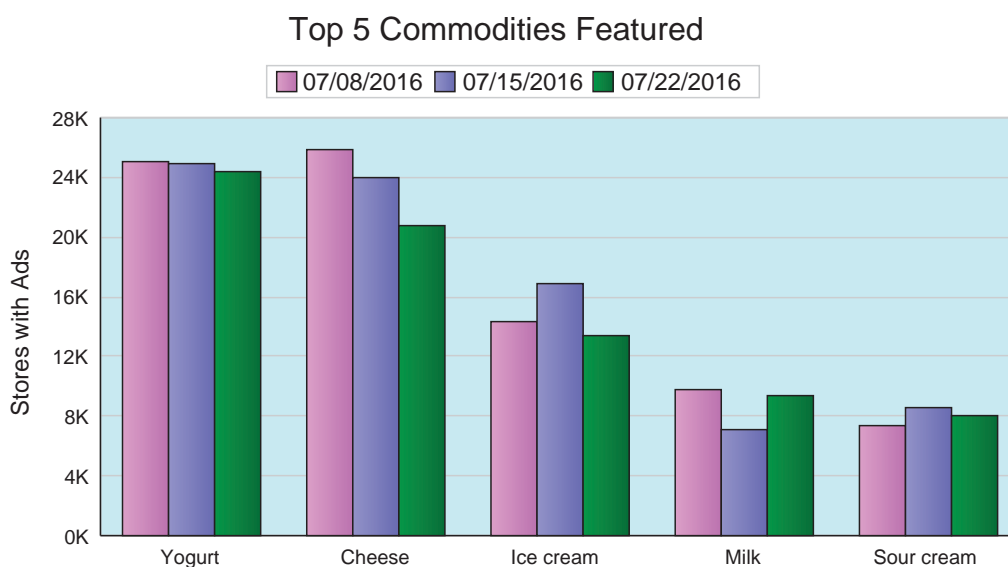
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 07/22/2016 to 07/28/2016

Total conventional dairy ad numbers decreased 5%, and organic dairy ad numbers decreased 37%. Conventional Greek yogurt in 4 to 6 ounce containers became the top dairy item advertised, followed by the seasonal favorites: ice cream in 48 to 64 ounce containers, 16 ounce containers of sour cream, and 8 ounce packs of shred cheese.

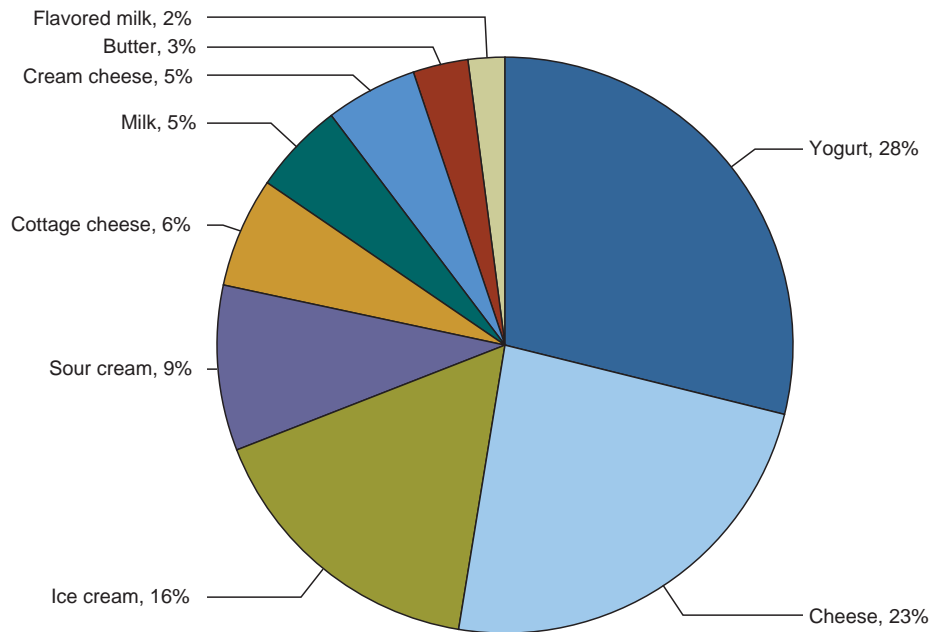
The price spread between organic and conventional half gallon milk is \$2.49. Last week the spread was \$2.05. The price spread is the difference between the national weighted average price for organic, \$3.90, and conventional, \$1.41. Both conventional and organic milk ad numbers increased this week, conventional milk number of ads increased 44% and organic milk ads went up 20%.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.13, down 6 cents from last week; 8 ounce shred cheese averaged \$2.26, up 7 cents from last week. Ads for 8 ounce organic shred cheese average \$3.82, down 17 cents compared to the previous week. The number of conventional cheese ads decreased by 16%, while organic cheese ads increased 189% this week.

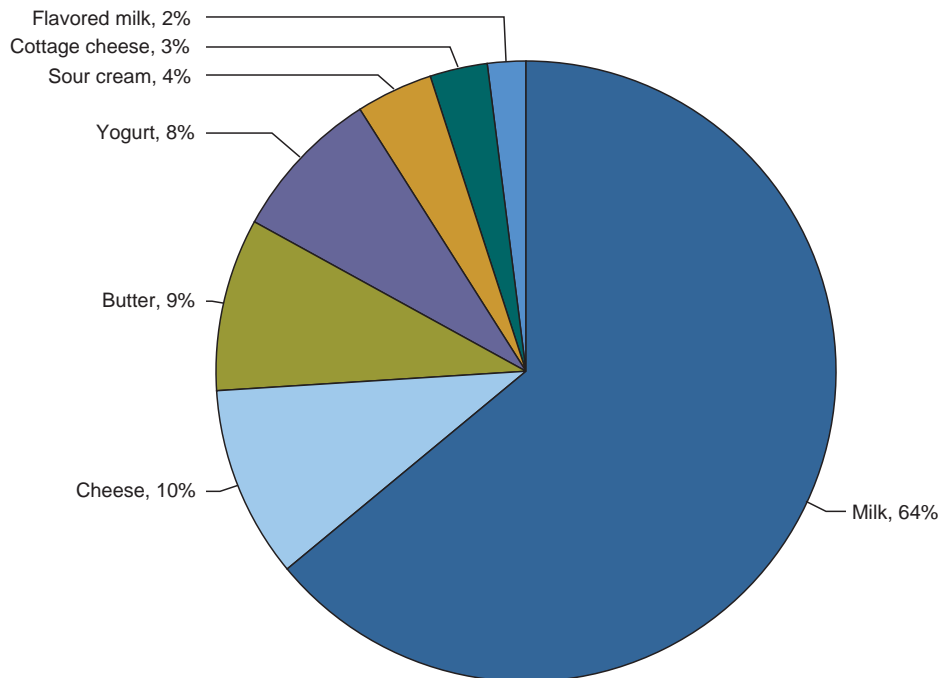
The national weighted average price for conventional 1 pound butter is \$3.07, and organic 1 pound butter is \$4.99. When compared to the previous week, the volume of ad numbers for conventional butter fell 46%, while organic butter ad numbers declined by 20%.



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	2585	3.07	4826	3.05	2497	3.29
Cheese	Natural Varieties	8 oz block	5961	2.13	8576	2.19	6892	2.27
Cheese	Natural Varieties	1 # block	3216	3.48	2218	5.24	2061	3.17
Cheese	Natural Varieties	2 # block	395	6.32	657	7.14	939	6.02
Cheese	Natural Varieties	8 oz shred	7479	2.26	9935	2.19	7340	2.43
Cheese	Natural Varieties	1 # shred	2896	3.59	2334	3.88	1798	3.07
Cottage cheese		16 oz	4790	1.74	4764	1.98	2169	2.01
Cream cheese		8 oz	4298	1.95	3351	1.89	3727	1.67
Flavored milk	All fat tests	half gallon	1169	2.32	1168	2.31	799	2.46
Flavored milk	All fat tests	gallon	595	2.76	512	3.24	565	2.86
Ice cream		48-64oz	13390	2.78	15828	3.11	12031	2.89
Milk	All fat tests	half gallon	939	1.41	482	2.04	515	1.80
Milk	All fat tests	gallon	3445	2.41	2555	2.72	4641	2.49
Sour cream		16 oz	7734	1.72	6880	1.79	4379	1.51
Yogurt	Greek	4-6 oz	13778	.94	11441	.93	12366	.95
Yogurt	Greek	32 oz	2068	4.64	2561	4.77	1405	4.19
Yogurt	Yogurt	4-6 oz	7066	.47	7600	.52	8845	.47
Yogurt	Yogurt	32 oz	882	2.49	904	2.37	1207	2.14

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.49-4.00	1429	3.33						
Cheese	Natural Varieties	8 oz block	1.49-3.00	2581	2.00	1.67-2.00	1116	1.98	2.00-3.99	697	2.54
Cheese	Natural Varieties	1 # block	2.99-5.99	661	3.84	2.99-3.48	405	3.23	2.99-3.99	823	3.14
Cheese	Natural Varieties	8 oz shred	1.50-3.50	2453	2.28	1.67-2.50	2283	2.25	2.00-2.99	528	2.28
Cheese	Natural Varieties	1 # shred	2.99-3.99	353	3.37	2.99-5.00	806	4.24	2.99-3.99	733	3.24
Cottage cheese		16 oz	1.50-2.50	1148	2.01	1.25-2.00	1521	1.48	1.50-1.99	453	1.69
Cream cheese		8 oz	1.50-2.50	1382	1.83	2.00	1064	2.00	1.33-2.49	393	1.69
Flavored milk	All fat tests	half gallon	1.99-3.19	471	2.76	1.99	64	1.99	0.87-1.99	270	1.37
Flavored milk	All fat tests	gallon	3.99	84	3.99	3.99	84	3.99			
Ice cream		48-64oz	1.99-3.99	2334	2.89	1.25-4.99	4074	2.84	1.99-4.50	3442	2.71
Milk	All fat tests	half gallon	1.99-3.49	198	2.47	0.99-1.00	237	1.00	1.00-1.59	360	1.21
Milk	All fat tests	gallon	1.79	161	1.79	2.50-3.99	1167	2.61	1.79-1.99	347	1.93
Sour cream		16 oz	1.48-2.00	1894	1.81	1.25-2.00	2840	1.70	1.25-1.89	776	1.45
Yogurt	Greek	4-6 oz	0.75-1.09	3550	.95	0.79-1.00	4204	.91	0.88-1.00	1231	.98
Yogurt	Greek	32 oz	3.99-5.49	738	5.04	5.49	61	5.49			
Yogurt	Yogurt	4-6 oz	0.44-0.60	972	.52	0.39-0.50	2345	.50	0.50	927	.50
Yogurt	Yogurt	32 oz	1.99-2.69	288	2.26	2.00	195	2.00	3.00	69	3.00

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.00-3.50	236	3.25	0.88-2.99	465	1.88	2.99-3.59	455	3.39
Cheese	Natural Varieties	8 oz block	1.00-2.50	524	1.82	1.77-2.99	654	2.50	1.25-3.00	304	2.33
Cheese	Natural Varieties	1 # block	2.99	210	2.99	2.77-4.99	982	3.73	2.99-3.99	135	3.50
Cheese	Natural Varieties	2 # block				4.99	114	4.99	5.00-7.99	279	6.87
Cheese	Natural Varieties	8 oz shred	1.00-2.99	1451	2.18	1.99-2.99	537	2.32	1.25-3.00	174	2.31
Cheese	Natural Varieties	1 # shred	2.99-5.00	133	3.82	2.77-3.98	736	3.31	2.99-3.99	135	3.50
Cottage cheese		16 oz	1.25-2.49	274	2.04	1.00-1.89	802	1.40	0.99-2.50	568	2.20
Cream cheese		8 oz	1.50-2.99	611	2.03	1.67-1.77	309	1.69	1.99-2.50	488	2.38
Flavored milk	All fat tests	half gallon	2.50	118	2.50	2.50	246	2.50			
Flavored milk	All fat tests	gallon	1.99	121	1.99	1.99-3.99	306	2.40			
Ice cream		48-64oz	1.89-3.99	1021	2.73	1.88-3.99	2247	2.60	2.50-3.99	127	3.22
Milk	All fat tests	half gallon	0.99	78	.99				1.25	66	1.25
Milk	All fat tests	gallon	1.99-3.79	515	2.94	1.85-2.99	1255	2.23			
Sour cream		16 oz	1.25-2.00	336	1.76	1.00-1.99	1146	1.65	0.99-2.39	673	1.80
Yogurt	Greek	4-6 oz	0.69-1.00	1497	.90	0.78-1.00	1954	.95	0.88-1.00	1276	.96
Yogurt	Greek	32 oz	4.99	276	4.99	4.49-4.99	538	4.76	3.50	455	3.50
Yogurt	Yogurt	4-6 oz	0.25-0.50	476	.35	0.25-0.50	1657	.39	0.30-0.89	583	.47
Yogurt	Yogurt	32 oz				2.50-3.50	313	2.86			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz block				2.49-3.25	85	2.94
Cheese	Natural Varieties	2 # block	4.99	2	4.99			
Cheese	Natural Varieties	8 oz shred	3.00	2	3.00	2.49-3.00	51	2.73
Cottage cheese		16 oz				2.49	24	2.49
Cream cheese		8 oz	1.69-2.99	27	2.70	2.00	24	2.00
Ice cream		48-64oz	3.98-3.99	9	3.99	3.49-4.49	136	3.89
Sour cream		16 oz	1.50-3.50	45	2.80	2.50	24	2.50
Yogurt	Greek	4-6 oz	0.99-1.50	59	1.06	1.07-1.25	7	1.17
Yogurt	Yogurt	4-6 oz	1.00	28	1.00	0.49-0.60	78	.53
Yogurt	Yogurt	32 oz	2.50-2.69	8	2.64	2.50-3.97	9	3.48

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price

Wtd Avg - Simple weighted average



Butter		1 #	675	4.99	846	4.82	335	5.93
Cheese	Natural Varieties	8 oz block	246	4.99			162	3.99
Cheese	Natural Varieties	1 # block	27	5.99				
Cheese	Natural Varieties	8 oz shred	498	3.82	267	3.99	84	3.99
Cottage cheese		16 oz	246	3.99	1947	3.54	121	2.99
Flavored milk	All fat tests	half gallon	161	4.79				
Ice cream		48-64oz			1083	3.50		
Milk	All fat tests	half gallon	4095	3.90	3135	4.09	1883	3.43
Milk	All fat tests	gallon	763	6.20	965	5.65	628	5.26
Milk	All fat tests	8 oz UHT	69	1.00			156	.99
Sour cream		16 oz	326	2.34	1649	3.32	121	1.99
Yogurt	Greek	4-6 oz	314	1.32	2029	1.06	573	1.19
Yogurt	Greek	32 oz	315	6.59				
Yogurt	Yogurt	4-6 oz			300	1.30		
Yogurt	Yogurt	32 oz			59	2.99		

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	5.00	84	5.00						
Cheese	Natural Varieties	8 oz shred	3.50-3.69	231	3.62						
Cottage cheese		16 oz	3.99	84	3.99						
Flavored milk	All fat tests	half gallon	4.79	161	4.79						
Milk	All fat tests	half gallon	3.49-4.99	808	3.98	2.99-4.49	1477	4.09	2.99-4.79	786	3.52
Milk	All fat tests	gallon	4.99	84	4.99						
Sour cream		16 oz	1.99-2.99	221	2.37						
Yogurt	Greek	4-6 oz	1.25-1.39	314	1.32						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.88-4.99	276	4.34	5.99	246	5.99	3.99	69	3.99
Cheese	Natural Varieties	8 oz block				4.99	246	4.99			
Cheese	Natural Varieties	8 oz shred	3.99	162	3.99				3.99	105	3.99
Cottage cheese		16 oz	3.99	162	3.99						
Milk	All fat tests	half gallon	2.99	78	2.99	2.99-4.49	634	3.85	2.99-3.99	240	3.43
Milk	All fat tests	gallon	5.99	82	5.99	5.99-6.99	492	6.49	5.99	105	5.99
Milk	All fat tests	8 oz UHT							1.00	69	1.00

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Sour cream		16 oz							2.29	105	2.29
Yogurt	Greek	32 oz				6.29-6.99	315	6.59			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	1 # block				5.99	27	5.99
Milk	All fat tests	half gallon	2.99	11	2.99	4.99-7.69	61	6.49

REGIONAL DEFINITIONS

As used in this report, regions include the following states:

NORTHEAST U.S.	Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont
SOUTHEAST U.S.	Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia
MIDWEST U.S.	Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin
SOUTH CENTRAL U.S.	Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas
SOUTHWEST U.S.	Arizona, California, Nevada and Utah
NORTHWEST U.S.	Idaho, Montana, Oregon, Washington, and Wyoming
ALASKA	Alaska
HAWAII	Hawaii
NATIONAL	Continental United States



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